Why Economic Conference Failed Page 9

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGE 16

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The Nation's Business

Canada's Task Can No Longer Wait for Conference Successes

The Market Break

Pool Operations Hit Small Speculators

Now That It's Over

WILL the Economic Conference reconvene? There is no reason why it should not take up its gigantic task once again. There is work for statesmen to do in international affairs. In the past they have always achieved the best results by carrying on their negotiations in small gatherings where as few as two nations were represented. They have never accomplished much in huge conferences where most of the speech making was designed for its political effect back home. But congresses called to put the signatures on agreements already concluded have a good psychological effect.

Before the Conference reconvenes there should be explicit understanding between the larger nations as to the concessions each can make and the agreements all can conclude. When it comes together again, it should meet for quick deliberation and prompt decision, unhampered by the red tape of numerous committees and subcommittees, commissions and subcommissions.

* * *

THE policy of Canada and the other British countries in the near future may wisely be predicated upon the assumption that the domestic problems of no nation are going to be solved by international panaceas. We no longer have the World Conference to look forward to. We have to tackle our own problems, by our own efforts and in friendly co-operation with, first, the British nations, and secondly, with the other nations with whom we can effect trade agreements of a useful and lasting character.

Our first effort must be to put ourselves in a sound competitive position in world trade and finance by cutting our national costs and ensuring the financial stability of our governments. That is a job we must do ourselves. No world conference can be expected to do it for us.

* * *

Cruel Warning to Small Speculators

THE manner in which stock market pools victimized the general public in the recent sensational rise in security prices, that was followed by an equally sensational if not similarly extended decline from the peaks, is very disturbing. And the manner in which the general public turned from investment to gambling and thereby offered themselves for sacrifice was equally disturbing.

The stock market rise started a year ago as a natural upswing from an over-deflated condition. It gained force as the threat and actuality of money depreciation prompted a flight o the tangibles of commodities and commodity stocks. A further boost was given by a vigorous war against the depression by the general recovery staff at Washington. Fantastic advances in commodities and over-speculation in stocks provided market manipulators with a splendid opportunity for unloading on the public blocks of securities acquired at low prices when the public was refusing to buy. And so the small speculator, the type of man or woman who jostles for a chair in a crowded boardroom, has been put on the spot again.

* * *

SECURITY laws in Canada and the United States have been designed to provide protection for the investor against new issues of worthless securities. But there is less protection for the investor from stock market manipulators who mark up favorite securities to

(Continued on page 2, col. 3)

Current Opinion

"Three years of depression have reversed the drift from farm to city. It is estimated that 2,000,000 persons have left the towns for the country. To this should be added another half million people who would have left the farm if the former trend had persisted.

"The odd thing is that under the stress of adversity millions of people should turn for relief to those sections of the United States which have been supposedly hardest hit by the depression. If the American farmer is as badly off as he has been said to be, how can the farms of America now shelter and feed 2,000,000 more persons than they did before the depression? If the American farmer, as a class, is bankrupt, how does he manage to support so many relations from towns?"—The New York Times.

SILVER PACT MEANS CANADA BUYS METAL

Ottawa May Have to Take 20 Times Amount in Present Coinage

GOV'T MAY PROFIT

Canada May Not be Able to Use Large Purchases of Silver for Monetary Purposes

Canada's signing of an agreement at the London economic conference to keep present monetary silver holdings off the market for four years, and to absorb silver from Canadian mines, leads monetary students to wonder what we are to do with the metal. A possible result is that the Dominion may finally be holding large stocks of the metal. There are no excessive monetary stocks of silver in Canada, but there seems to be little need for large additions to supplies. The agreement might mean that we shall have to absorb 20 times as much silver as there is in our present coinage.

The object of the agreement is to try to raise the price of silver in world markets. Some students of monetary matters think the agreement may bring needless expense to the Dominion Government, and that it may eventually depress silver prices. But there is a possibility of a profit on Canada's present and future silver holdings if the price rises. Higher silver prices would benefit Canada's mines, this country ranking third in production in the world.

Must be Ratified

The agreement does not become a treaty until it is ratified by the governments of the seven countries whose delegates signed it. If even one government fails to approve it before April 1, 1934, the plan may collapse.

The agreement was signed by India, China and Spain, large holders of silver stocks, and by Mexico, United States, Canada, Australia and Peru, the largest producing countries. It calls for:

(1) Cessation of debasement of silver coinages below fineness of 800/1,000. This is the fineness of the present Canadian silver coins.

(2) Substitution of silver coinage for low-value paper currency.

(3) Producing countries not to sell any monetary silver.

(4) Indian government to limit yearly sales of silver to 35,000,000 oz.

(5) Producing countries to absorb from their own mines an amount equivalent to the sales from India. Quotas to be determined. United States expected to take 24,000,000 oz. annually.

The whole scheme depends on ratification by home governments before April 1, 1934, and is to extend from Jan. 1, 1934, to Jan. 1, 1938. The conference resolution which led to the agreement also calls for nations not signing to refrain from any measures which would appreciably affect the silver market.

If the agreement goes through, and if the United States absorbs 24 out of 35 million ounces annually, it would leave 11 million to be taken by Canada, Australia, Peru and Mexico from their own mines. If Canada absorbs three million ounces per annum for four years, this would cost $1,200,000 yearly at 40 cents an ounce. If the price goes higher than 40 cents, the cost would, of course, rise proportionately. India however may not sell the full quota each year which would relieve the producing countries from making purchases.

There appear to be three methods by which Canada could use more silver for monetary purposes. First by increasing the fineness of our coins; second by coining additional

(Continued on page 2, col. 6)

Stocks Recover; Trade Betterment Said Cumulative

Stock markets have shown recovery from the recent slump. The drop in the market last week has been over-emphasized in the opinion of seasoned observers, who considered it a normal setback after weeks of rising prices.

Critics of stock speculation deprecate the recent rapid rise of stocks. Some of them grant, however, that there is nothing illogical about the market rising faster than business as long as it is not at a dizzy pace. The worst feature of the market is widespread public participation in stock gambling, economists and informed financiers state.

Optimism is expressed of the business outlook for the remainder of 1933. Business executives base this on the cumulative effects of business improvement. They feel that just as the vicious cycle of depression was cumulative in its effects, so the reversal of the trend should be cumulative.

Fear that a lag in the increase of public purchasing power, and over-production, will deter business improvement is discounted by some observers. They say shortages of processed goods are evident. Also that corporation buying is more important than purchasing by the public, and that corporation profits and purchases are increasing.

British Business Men Report Trend Upward

But Financial Interests Disturbed by Exchange Uncertainties — How Britain Views Bennett, Ferguson — Tories Slated to Continue in Power

By FLOYD S. CHALMERS, Editor, The Financial Post.

British business men are firmly convinced that the business trend is upward. But British financial men view the future with greater disquiet. They will not believe that any obligations written on paper are thoroughly safe until the world has found a monetary policy to which all the leading nations can subscribe.

Five weeks in Great Britain and several days in Paris enabled one to talk with scores of industrialists, bankers, brokers, economists, newspaper editors and other well-informed classes of people. To crystallize what they said into brief informative sentences is no simple task, for one finds in Britain and on the continent just as wide a variety of viewpoints as one finds in Canada. Always, in jotting down what any authority has said, one must ask whether or not the person being interviewed has a personal, political or corporate axe to grind. But there is one failing that we Canadians have in common with the Americans that the British and French do not have to the same degree, that is the habit of fathering thoughts with wishes. The Old World observer has been taught by centuries of business history to be a realist and to face the unpleasant facts as well as the brighter ones. Such a quality robs him of the spectacle of frequent speculative bubbles and makes him an indifferent stock market gambler. But it spares him also many a morning after headache such as our Canadian stock market and commodity devotees were suffering from when I returned from London this week.

Bennett in London

First, a few words about some Canadian personalities in the British eye and British personalities in the Canadian eye. Prime Minister Bennett has not many friends among British industrialists who accuse him of impeding the rapid working out of the Imperial Economic Conference agreements. But he cut a large figure at the World Conference, sat on the steering committee, was the official spokesman for the overseas parts of the British Empire, and voiced as well the viewpoint of Argentina and the Scandinavian countries on more than one question. Delegates from all countries—except perhaps Russia—looked up to him in high respect. In early July, when the conference seemed about to crash completely he made a valiant effort to save it from disintegration or, failing that, to save its face.

Fergusons Industrious

Hon. G. Howard Ferguson, our High Commissioner in London, is popular with all classes in London. He is the intimate of royalty and the confidante of British statesmen. He steers his way gracefully through the ranks of the business men of the Midlands and the financial barons of the city. Empire-minded almost to a fault, he has given Canada House a place in the sun of London. Politically and economic-

(Continued on page 2, col. 1)

OFFICE RENTS SOON TO RISE AGENTS AVER

Bottom Has Been Reached on New Leases, They Say

MANY ENQUIRIES

Office rents may soon begin to climb again, in fact quotations for office space in most modern office buildings in the larger cities of the Dominion are already higher than they were at May 1, rental agents inform The Financial Post. Actually, there are two definite trends in existence: one, in which lease renewals are still inclined to be at a lower figure than the existing rates; and two, in which new tenants are asked to pay more than they would have been as recently as May 1.

This Canadian experience is similar to that in the United States, according to a survey made by the National Association of Real Estate Boards in that country. Results of the survey showed that, while real estate activity had undoubtedly become brisker in almost all large centres, there was little evidence of higher rents. Further declines were not anticipated, however.

Decline Halted

Canadian cities are covered in the United States survey and show that this country is still in an era of declining rents. However, the position in Canada is said to have changed materially since the survey was made and rental agents are all unanimous that the declines have been halted and even some movement in the other direction begun.

The downward trend in lease renewals which is still in evidence in Canada is solely as a result of demands of tenants when their leases come up for renewal, The Financial Post was informed. "Naturally, all tenants are anxious to reduce their overhead as much as possible even if their business is better," one agent said, "but the fact that they are established in our building and that removal costs and trouble loom large, gives us a certain hold on them. Renewals, therefore, are inclined to pay slightly more than new tenants would pay for the same space."

Building owners and agents having business in many large cities all appear to agree that this downward trend in lease renewals is general. The manager of one large company operating many office buildings even went so far as to say that unless a very substantial business revival took place during the winter, this downward trend would continue even until May 1, 1934.

New Rents Higher

Several instances where rents being asked were currently higher than they were at May 1 were quoted to The Financial Post. During the lean months of the past two years it would appear that there has been a great deal of bartering on rental prices. In one case where the basic rate was $2.50 a square foot, leases have been signed all the way from that figure to $1.75. In this particular case, however, the feeling is that the $1.75 rate is past and that future business will be done at $2.00 and $2.25.

Modern buildings report better rented percentages already, one prominent office building having nearly 90 per cent of its offices rented as compared with a low of about 75 per cent.

U. K. FAVORS CROWN COLONY FOR N'F'LAND

Would be Sympathetic to Commission Form of Government

CONTROL FINANCES

By Staff Editor

LONDON.—There is considerable interest here in the forthcoming report on Newfoundland's economic position that will result from the recent enquiry conducted by Lord Amulree, Sir William Stavert and Hon. Charles A. Magrath.

It is felt that Newfoundland's future as a British Dominion is at stake. There would be a sympathetic reaction in British governmental and financial circles if Newfoundland were to either seek status as a Crown colony and thus come more directly under the financial management of the British Government or seek to set up a commission form of Government which would manage the affairs of the island with the utmost circumspection for a few years until the return of economic prosperity made the Dominion's present debt a lighter burden upon the citizens.

The British Government advanced the sums necessary to meet the island's July 1 interest payments but those who are well-informed state that these advances must be regarded as temporary expedients while the report of the Royal Commission is in course of preparation. They further state that the British Government will probably demand a closer supervision of the island's finances before continuing to assume the burden of meeting the interest on the island's loans.

Causes of Plight

London sees two factors as having contributed most largely to Newfoundland's financial difficulties. First, there is the economic depression which seriously reduced the prices of Newfoundland's primary products, notably fish, and thus impaired the island's normal earning power. Second, there is the fact that financial interests in the United States and Britain have been much too generous in forcing loans on the Dominion without regard for the manner in which the money was to be spent or for the revenue sources from which the annual charges would have to be paid.

Politicians and statesmen are much the same the world over and some of the men who have directed Newfoundland's affairs in the past were not averse to borrowing when borrowing was made easy by bankers controlling investors' capital. On the theory that lenders have a responsibility to borrowers no less than the responsibility of borrowers to lenders, it is felt that bankers cannot escape their share of the blame for the heavy borrowing that Newfoundland has done since the war.

Position of Loans

For that reason there is a strong body of opinion that feels that the Newfoundland people would be justified in seeking some lightening of the annual interest burden of the Government. And it is suggested that in the event of a reasonable arrangement between the Government and its bondholders the United Kingdom Government might be disposed to guarantee a lower rate of interest on all Newfoundland's loans, in return for which the Government of Newfoundland

(Continued on page 2, col. 8)

EXPORT GAIN BY MILLERS SEEN AHEAD

New Markets Open to Canada and U. K. Prospects Improved

VITAL TO INDUSTRY

Adverse Conditions of Past Four Years Have Been Heavy Blow to Canada

Canada stands to improve considerably her exports of wheat flour in the next twelve months, according to a leading executive of the trade, recently returned from England and the continent.

"If Canadian wheat prices are kept reasonably in line with Liverpool, I see very definite prospects of an improved export trade to that country," this man told The Financial Post. "Importers there have been taking a severe drubbing in recent years but feeling in the trade is very much better and the outlook for Canadian mills is certainly much improved. The opportunity will of course be particularly good if the present high rate of sterling exchange is maintained."

New Market Opens

Another important market which is also opening to Canada for the first time is in Central and South America. Previously this market has been served by the United States millers, but conditions in that country have served to shut out that source of supply and chances are thought to be good of Canada selling a considerable volume of flour in that area. The chief difficulty there, it is pointed out, is in ensuring that Canadian millers will be paid for their flour.

Still another market which gives promise of opening again during 1933-34 is that of the British West Indies and other British Dominions. These markets have taken good quantities of Canadian flour in the past and with exchange conditions steadily improving, increased demand from this quarter is anticipated.

Means Big Market

A glance at wheat flour export figures of recent years indicates how significant to the milling industry in Canada would be a return of buying from these markets. Prior to 1929, Canadian mills exported roughly 10,000,000 barrels of wheat flour annually. This was almost 50 per cent of total production in the year. By 1930 this had shrunk 25 per cent to 7,500,000 barrels and for the last two calendar years the volume of export trade has been cut by 50 per cent or more. This means that the wheat milling industry has been operating on the average at little better than 40 per cent of capacity as compared with a much higher figure in earlier years.

Exports of Wheat Flour From Canada

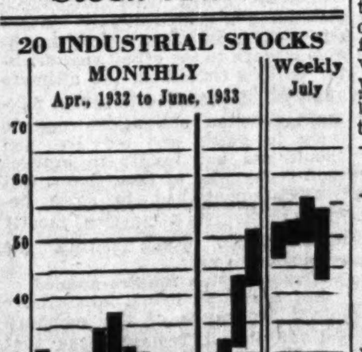
	Quantity (bbl.)	Value $
1925	10,318,840	74,319,169
1926	10,456,916	71,993,608
1927	9,262,936	60,266,510
1928	10,737,266	63,973,066
1929	9,573,880	52,748,909
1930	7,514,778	37,540,495
1931	5,697,224	20,207,319
1932	5,131,781	17,182,775

Not only is the outlook for exports improved but the improvement in prices has greatly strengthened the domestic situation in recent months. In sympathy with wheat, flour prices have risen rapidly since the end of last year. This has served to eliminate much bitter competition and has placed the industry generally on a much better plane.

Discusses Wheat Prices

As to the trend of wheat prices, this executive expressed the opinion that the present world situation fully justified the belief that the "low price" period had definitely passed and that at the moment 75c. wheat at Winnipeg was "excellent buying value." Whether prices would stabilize at a higher level than this is dependent, we believe, on what happens to the Southern Hemisphere crop. If a less than normal crop was harvested in the coming season in the Southern Hemisphere he thought prices up to a dollar a bushel would be justified.

Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of July 25	54.3	42.6
Week of July 18	55.7	49.7
Month of July, 1932	29.7	20.2
10 Public Utilities		
Week of July 25	58	51
Week of July 18	58	55
Month of July, 1932	46	37
8 Bank Stocks		
Week of July 25	195	187
Week of July 18	197	193
Month of July, 1932	167	146

BURNS FUTURE LOOKS BETTER PROFIT SHOWN

Six Months Results Are Better Than in Last Three Years

COSTS ARE CUT

Strength in Commodities Eliminates Inventory Losses — May Speed Collections

Aided by drastic reductions in operating expenses and firming of commodity markets, Burns & Co. has experienced the best earnings in the first half of the current year to be reported for several years. At the end of the first five months an operating profit of Burns & Co. and subsidiaries was within $25,000 of covering bond and debenture interest before provision for depreciation and the result compares most favorably with the substantial loss reported in the same period of 1932. Prospects for the remainder of the year are improved but will depend in large degree upon continued stability or strength in prices of commodities and on business conditions that affect the demand for the company's products.

While the company is not yet earning its bond interest charges after provision for depreciation, working capital is being improved as a result of bondholders agreeing to defer interest payments until December 1, 1933. Any action toward resumption of bond interest payments must await further proof of permanence of the present trend.

Of the three main operating companies, Burns & Co. has shown positive improvement in earnings. Palm Dairies Ltd., operated at a substantial loss in 1932, shows a small profit and Consolidated Fruit Co. losses have been reduced substantially. Reorganization of Palm Dairies Ltd. in 1932 has aided materially in the improvement shown by that company.

Has No Inventory Losses

Packing houses generally benefitted from business conditions prevailing in the first half of this year. Stability or appreciation in commodity prices eliminated losses on inventories that have prevailed in the past three years of declining prices. With prices more stabilized competitive conditions in Canada have been more satisfactory while exports have been fairly heavy. In addition to these factors Burns & Co. has benefitted by reorganization of various branches and other outlets.

Loss of Palm Dairies Ltd. in the first quarter was seasonal in large degree and there was a satisfactory reduction in this loss when comparison is made with 1932 losses. This operating loss was more than made up in the second quarter. Improvement in business conditions in some of the communities served and a good season for ice cream sales have materially improved earnings of this subsidiary, on which operating profits would have been shown in 1932 if it had not been for heavy losses on inventories. Elimination of winter operating losses at country creameries gives the company a much better earnings record than it has had for several years.

Fruit Does Better

Seasonal losses of Consolidated Fruit Co. in the first three months of 1933 were the lowest for the last six years which augurs well for a better final return for the year. Improvement in competitive conditions in the Prairie Provinces would aid materially in strengthening the company's earning position.

With accounts receivable of $1,134,761 at December 31, 1932, Burns & Co. might be expected to benefit materially through increased collections resulting from improved prices for grains, livestock and hogs. Operating chiefly in the Prairie Provinces where purchasing power has been largely curtailed due to low prices, the company stands to benefit both in increased sales, and increased collections through any strengthening in price on farm products just as its position was imperilled by continued declines in prices. Improved prices for commodities will wipe out inventory losses prevalent in recent years and can be expected to result in profits on inventories rather than losses.

Highlights of the week

Events and Topics That Make News for Post Readers

Wheat Prices

A combination of factors including pyramiding of speculative commitments caused the break in wheat. Alcohol poisoning struck the grain market as well as stocks. Page 13.

Chaos Absent

Predictions of chaos because of failure of the London Economic Conference fall flat. Why the meetings failed, told by the editor of The Financial Post, just back from London. Page 9.

Winnipeg Electric

Bondholders unite because of impending possibility of reorganization. What failure of the company's subsidiary, Northwestern Power Co., to pay bond interest means to the parent firm. Page 4.

Rents to Rise?

Agents think office rents may rise soon. Real estate has become brisker in Canada and the United States, but rising rents have been uncommon. Correction of the over-supply of space may reverse this trend. Page 1.

Newfoundland

Will Britain's oldest colony be slower to feel the effects of business improvement than the rest of the commercial world? Trade there has been quiet. Page 3. Will the island Dominion become a crown colony? Page 1.

Kenty Gold

New vein showing free gold, not visible on the surface, has been cut. It looks important to the mine. Ontario Hydro makes an early effort to market Abitibi power in the Swayze areas at a price favorable to Kenty. Page 16.

Better Business

For the second month in succession the Maritimes, Quebec, Ontario, Prairies and B. C., show business improvement The Financial Post's analysis shows. Charts measure the increases. Page 7. Life insurance sales rising. Page 13. Sales of electric power increased in the first six months of 1933. Page 4. What British business men think of the outlook. Page 1.

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STEAMSHIPS IS HOLDING OWN THIS SEASON

Grain Movement Small With Poor Export Demand

ECONOMIES HELPFUL

Packet Freight Holds Up — Century Coal Doing Well — Passenger Trade Spotty

From Our Own Correspondent

MONTREAL. — Operations of Canada Steamship Lines, with nearly half of the navigation season passed, have been on a better basis than for the same period last year. It is too early to make any forecast on what are likely to be the results for the full year as present indications are indefinite as to the fall movement of grain from the head of the lakes.

Both operations and earnings of Canada Steamships are largely dependent upon the grain movement. So far this year, the bulk freight division has experienced restricted activities owing to the lack of export demand for grain. While fewer vessels are in operation, this division is actually ahead of last year in earnings owing to economies and more frequent passages brought about by speedier handling of the boats at terminal points.

Given a good volume of grain to carry this fall, Canada Steamships income statement for 1933 would most likely make better reading than that for 1932, a net income of only $561,213 after operating expenses but before interest, depreciation, taxes and other charges.

Excursions Are Popular

Other departments of the company have experienced varied business, but in the aggregate fairly satisfactory. Passenger business has been spotty. The company, however, has taken advantage of the popularity of excursion trips with excellent results. Special fares have been instituted on St. Lawrence runs and those out of Toronto and other central points. Those out of Toronto and Montreal have been particularly popular, enabling the company to handle a much larger volume of passenger traffic than would be the case were only regular rates charged. While the return per passenger in this type of business is low, the aggregate revenue from the special excursions has added substantially to the company's income.

Hotel Business Fair

Hotel operations are closely allied with the passenger business, especially on the St. Lawrence runs. The hotel at Tadoussac was not opened this season. The Manoir Richelieu, at Murray Bay, has reported a fair volume of registrations, with prospects of an improvement as the American tourist trade shows signs of picking up.

The packet freight division, which has grown to considerable proportions in the past few years, continues to provide the company's vessels a goodly volume of business. Extensive services are provided by the company and the speed with which deliveries are made has enabled the company to build this division to considerable size.

Century Coal Active

Among Canada Steamship Lines' subsidiary operations, those of Century Coal Co. show most promise at this time. While there has been some uncertainty by importers over the trend of coal prices, the volume of buying lately has assumed larger dimensions owing to the likelihood of increased prices going into effect after the American Coal Code becomes operative on August 1. Forward buying has been a good scale and the Century Coal Co. expects to keep busy until the close of the year.

Little business has been available

(Continued on page 2, col. 6)

Just Think of It!

The Financial Post recently told under "Just Think of It" of a Toronto firm advertising for 50 good seamstresses; that out of hundreds applying only six were found who really could sew and had ever been taught how, and these six were foreigners—we said that in Canada we had too much fancy education.

The Toronto Telegram interviewed Dr. Kirkland, principal of Central Technical School, Toronto, who said The Post was not conversant with the facts. His school won the international prize in dressmaking class among 30,000 competitors and from 3,000 schools all over the world, and the prize is still in the school. He expressed further pride in the fact that they have each year about 30 graduates in the trade dressmaking classes.

The situation is much worse than we thought. Here is the leading technical school admitting they turn out but 30 persons a year whom they could classify as good seamstresses.

However, "Just Think of It" was not thinking of the technical schools where only a small percentage of the children go but the ordinary schools where the children are not taught common sewing and other things necessary in their future daily lives.

And one-third of the hard-earned money raised from Toronto taxpayers is spent on Toronto schools—on which have been modelled Canadian schools in general.

Later in life it is the men and women who lack practical education and sometimes high character who will be found in the breadlines and courts. It would appear that the lack of practical education in the schools and of high moral training in the churches is responsible.

Mersey Paper's Output Above Rated Capacity

From Our Own Correspondent

MONTREAL.—With a plant capacity rating of 39,000 tons, Mersey Paper Co. manufactured 43,000 tons of newsprint during the first half of 1933. The entire production was sold to customers in Canada, the United States, Jamaica, Cuba, South Africa, Australia and New Zealand.

Into the manufacture of this record tonnage, according to an official statement, went 58,000 cords of pulpwood, all of which was produced at Nova Scotia; 2,400 tons of limestone produced at the company's own quarry at East River, N.S.; and 21,000 tons of Nova Scotia coal. To process these materials, the Mersey plant produced several million kilowatt hours of domestic power and purchased 56,000,000 kw.h. of energy from the Mersey River developments of the Nova Scotia Power Commission.

During the half-year period Mersey Paper ran full time every working day, giving employment to over 400 men in actual mill operations. A similar number of men have been employed in the company's own pulpwood camps at Lake Ross during the same period.

In addition to its own woods operations in the past six months, the company purchased from farmers and jobbers a total of 60,000 cords of pulpwood.

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$15.00

No need to remove it when you play around for its 15-Ruby-jewel Swiss movement has been designed to stand up to sudden jars and sudden baths. Wear an Aqua—let it be your inseparable companion. Take advantage of this new low price to give yourself a watch you can be honestly proud of.

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The Nation's Business

(Continued from page 1)

fictitious values in order to unload their holdings on a speculation-crazed public.

The "shake out" in stock and commodity markets has brought considerable losses to small margin speculators. Possibly it may serve a very useful purpose. Prices were being whirled up at a more rapid pace than could possibly be justified by the trend of economic events, even if the improvement in business was regarded as fundamentally sound. Stock brokerage offices were crowded with rather foolish speculators trying to recoup their 1929-1930 losses quickly. And indeed some of them succeeded for a while in making large profits in cash or book entries.

But the rise in stock market prices was not entirely the product of normal investment and speculative buying. This may have been true of a large proportion of the more seasoned issues but it certainly was not true of the few speculative favorites that were showing the most sensational advances. Pools were busy in these stocks; tips were flying around the country; all the silliness of 1928-1929 was being repeated on a limited scale. So widespread did ill-advised speculation become that The Financial Post, which has never desired to fill the rôle of stock market forecaster, was forced in its issue of July 1 to warn investors against participation in stock market or wheat market speculation at the prices then prevailing. And it urged its readers to ferret out the facts behind the tips and advice they were being given.

* * *

THE market has had a break that is much more disturbing to the small speculator than it is to conservative financial men or to the statesmen who, in Britain, the United States, Canada and other countries, are struggling with the heroic task of restoring equilibrium to the business structure. The savings and the paper profits of the thousands of small speculators have been wiped out and have in no little measure been transferred to the pockets of pool operators and stock manipulators.

Coming as at this time the decline has given a salutary warning, in the nature of a reminder of the lessons of 1929. Let us hope that commodity and security speculation will in the coming weeks give less indication of being an insensate gamble for quick profits than it has been of late. And if the precepts of financial decency and the legislation on the statute books will not protect the public against the financial pirates then the public must protect themselves by refusing to make themselves the tools of manipulation.

* * *

Did Roosevelt Break Faith?

WHEN The Financial Post's special representative was in Washington last spring, he was assured by spokesmen for the administration that the President of the United States would recognize the creditor responsibilities of the United States and would seek to promote American and world recovery by means of policies capable of international co-ordination. In view of this, has Roosevelt broken the faith by the American attitude to the London conference? Europe's answer is "Yes." The United States says "No."

A number of factors caused the American delegates at London to avoid constructive policies on currencies, tariffs and debts. First, the conversations at Washington with European statesmen revealed that the visitors came, as to a Christmas tree party, seeking gifts and concessions, blaming American isolationism for the world crisis. Second, it became apparent that Europeans feared credit expansion, the keynote of the American policy. Third, when the American programme started, it became clear that reduction of American production would not fit into a scheme of lowering tariff barriers, opening the gates to foreign goods to the detriment of those who were to restrict production in the United States. Fourth, Roosevelt rapidly lost the support of Congress and American public opinion in his international programme by the time he had started the domestic programme.

From these developments it is evident that the American delegation went to London handicapped. Then they found a united front of European unfriendliness. The American and continental viewpoints were entirely incompatible. Little wonder that the ultimate policy, dictated by Washington, was to place the American domestic programme first. The Americans apparently had little choice.

Dominion Motors Will Cut Losses

Dominion Motors will not manage to make a profit this year but they will not have as large a loss as was experienced last year, according to information from an authoritative source. The financial position has not changed materially and it is hoped that financing of next year's cars will be successfully accomplished.

At the present time the plant remains quiet with only small activity on the new Frontenac model. First shipment of these new models has been made to dealers but demand is far from brisk. The company apparently feels that little can be expected until next spring.

Many Chemical Firms Among New Industries

Fourteen of 69 New Industries Are Classified in This Group in Past 6 Months—Of Total New Industries 25 Are U. S. A. Branch Plants

Twenty-nine branch plants were established in Canada during the first six months of 1933, 25 of them branches of United States companies and four having their head offices in England. In addition, 40 new Canadian manufacturing enterprises got under way.

These figures are gleaned from a survey of the new industries reported weekly in The Financial Post and while they cannot be taken to include all new enterprises started during the period they include all of any size as reports are regularly received from all the leading cities in the Dominion.

Of the United States branch plants which have been established in the past six months, six are included in the chemicals group, three making waxes and polishes of various kinds and the others drug sundries, sanitary chemicals and lime respectively. The next largest group is that of wood and paper, manufactures ranging from match wood to office equipment.

Break Monopoly

British firebrick companies have long had almost a monopoly of the Canadian market but this has now been definitely broken by establishment in Canada of two United States firms making that product, one specializing in the plastic variety.

Two of the four British subsidiaries which have been formed in Canada will manufacture textile, one specializing in felts. One other is a branch of a famous distillery and the fourth is a small chemical concern which will manufacture a rust resisting compound.

40 Canadian Plants

The 40 Canadian manufacturing plants which either commenced production or started work on their plants during the period cover a wide range of industries. Probably the most interesting development—one which is also notable in United States branch plants—is the number of chemical firms started. In the past there has been large importations of chemicals, chiefly from the United States.

New uses for chemicals and gases are being discovered each year and the industry as a whole bids fair to become a major one in a few years. Silicate of soda, carbon dioxide and sodium hypochloride are three of the chief chemicals being produced by these new plants.

It is generally considered in the trade that the centre of the shoe manufacturing industry is gradually changing from Quebec to Ontario and this is perhaps exemplified by the fact that all four shoe and slipper companies started in the first half of 1933 are located in the latter province.

Paper Specialties

Wood and paper manufactures naturally take a prominent place in Canada, eight new plants being started to manufacture products which may be classified under this group. With the newsprint, book and writing paper fields overcrowded, paper specialty lines form the majority of the new industries. Also, two firms were started to manufacture wood veneers and one furniture.

In addition to the new industries which were started during the period, a number of existing Canadian factories completed agreements with United States firms to manufacture in Canada for them. Many of these agreements have proven a valuable source of revenue for the Canadian plants.

Manufacturing Plants Established in Canada
(By Origin and Type of Product)
First Six Months of 1933

Product:	Can.	U.S.A.	U.K.
Food	8	2	.
Chemicals	5	6	1
Wood & paper	8	5	.
Iron & steel	5	3	.
Elec. equipment	1	3	.
Oils	3	1	.
Shoes & slippers	4	.	.
Auto equipment	1	2	.
Textile	3	1	2
Sundry	2	2	1
	40	25	4

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BRITISH BUSINESS MEN REPORT TREND UPWARD

(Continued from page 1)

ally, his views have broadened and one finds difficulty in recognizing the political terror of Ontario's back concessions. In his work he has a most industrious aide in Mrs. Ferguson, who is the idol of all Canadians in London and one of the most respected women in British political circles.

Ramsay MacDonald, the idealist Scot, with his brilliance at post-prandial utterance, has a secure hold on the prime ministership. The National Government has broken the Labor-Socialist party and redefined political alignments. The next election will be a straight fight, shrewd observers say, between the Tories, who are flirting with the idea of changing their name to the National party, and Socialists, who consider themselves alone entitled to the name of the Labor party. It is on the cards that the Tories will win. But practically all of the Labor members who went into the National Government will find themselves outside on the door step. The Tories will name their own candidates and the Labor party will not take back the deserters. But there is ill-concealed conflict in the Tory ranks and the die-hards under Churchill and the neo-die hards under Chamberlain are somewhat at odds with the moderates under Baldwin. Chamberlain is feeling his strength and is half tempted to assume the premiership. But "bumbling Baldwin," as an American magazine calls the former prime minister, is not as weak and craven as the name suggests. There still is need for a compromise figurehead. So the forecast is that MacDonald will continue to be the nominal prime minister, heading a Conservative cabinet after the next election. London candidly states that MacDonald is only nominally prime minister today and no one considers the National government anything but a Conservative government.

Norman Offends Britons

Montagu Norman, governor of the Bank of England, is slated for extinction. Some day soon the directors of the bank will simply fail to re-elect him as governor. His peculiar antics, through which his ostensible dislike for publicity keeps him on the front pages of newspaper the world over, are repugnant to the instincts of the British people who are anxious that the bank should elect as governor someone who will enter a building by the front door instead of climbing through whichever coal hole happens to have a camera man posted opposite it. Who will succeed him remains an open question. Had he been replaced at the last election the choice would undoubtedly have fallen on E. R. Peacock, ex-Canadian schoolmaster, now a power in the city. But Sir Josiah Stamp has a large and influential following, although the more reactionary among the city financial folk suspect him of liberal monetary inclinations.

Liking for Protection

British manufacturers have tasted protection and like it. Scores of industrial plants have awakened to a realization of the fact that the market afforded by the United Kingdom itself is a large and prosperous one if it can be enjoyed with the minimum of embarrassing competition from abroad. The "tariff crowd" are entrenching themselves politically just as the manufacturers have done in Canada. They will brook no suggestion of a return to free trade in Britain. There are new plants all over England that care not a whit for export trade. But they want their home market, they have it now and they intend to keep it.

A sample of their sensitiveness on the matter of tariffs was provided at the recent Congress of the Federation of Chambers of Commerce of the British Empire when a carefully framed resolution on monetary policy was introduced containing a comparatively innocuous and economically irreproachable remark to the effect that creditor nations should, in the ultimate analysis, be prepared to accept payment for the obligations due to them in goods and services, and should not use tariffs to prevent such repayment of their loans. Out the statement had to come before the British delegation, mostly industrialists, would permit the resolution to pass.

Business Men Empire-minded

But if British industrialists have joined the ranks of the economic nationalists, it remains true that most British business men are Empire-minded. In their tariff views, they make ample allowance for a continuation of preferences to the Dominions, so long as the Dominions play square with them. Importers of wheat, tobacco, meat, and other foodstuffs and all raw materials are anxious to buy within the Empire. But they insist upon equality of price and certainty of quality. Their Empire-mindedness does not extend to paying a premium for Dominion goods or to accepting goods of inferior quality. One of the larger chain store organizations declares itself to be in the market for an enormous quantity of Canadian honey but the price it offers is less than the Canadian honey producer can get at home. A large tobacco company states that it will double its purchases of Canadian tobacco this year but it refuses to promise that it will bid a ha'penny a pound more than last year. The British business man is an Imperialist because he feels that economic nationalism throughout the world is making him more and more dependent upon the Empire but he remains a hard-trading business man first and foremost.

Emigration Discussed

The British people are beginning to think about immigration once more, and are months ahead of the Dominions in reviving discussion of Empire population movements. The antagonism to the various Dominion restrictions is disappearing. The Britisher is beginning to believe that migration should never again be a hit-or-miss affair. What is being discussed is the feasibility of capitalizing some of the dole funds to place unemployed Britishers in group settlements abroad, in little colonies that could be supervised by British officials working in co-operation with officials of the provinces or states to which they were sent. Thus there would be joint responsibility for the success or failure of any individual immigrant or any separate settlement. Where failures resulted, the British would assume the responsibility of taking the settlers back to the Old Country and putting them on the dole again. Thus the bitterness that formerly arose when the Dominions were forced to deport British citizens or when some immigrant found conditions less promising than he expected would be avoided.

In respect to emigration to Canada there is a feeling that it has been a mistake to send British settlers to lonely farms on the broad prairies where they had to make good in the difficult and technical business of single crop farming. Community settlements in mixed farming areas, where schools, churches and recreation halls could be organized for mutual sharing of woe and bliss, are considered more practical and this brings the eastern provinces and British Columbia much to the fore. After settlers have made their way under such conditions it is felt that they can then decide for themselves whether they want to join the pioneering trek to the newer west.

Dumping Competition

Criticism of the anti-dumping provisions of the Canadian customs tariff has been considerably modified by the pressure British business men have felt from Russian and Japanese dumping. Nevertheless the feeling persists that Canada has not interpreted the Ottawa agreements liberally and has been unnecessarily laggard in bringing them into full operation. It is entirely up to Ottawa officialdom now to determine how soon this undercurrent of dissatisfaction disappears entirely in Great Britain.

For the moment the British business man is firmly convinced that Canada does not want to buy any British goods at all but wants to retain its entire home market for the Canadian manufacturer.

Mr. Bennett's Speech

As a matter of fact this is just about what Mr. Bennett himself said in a speech he made at a meeting of the Canadian Women's Club in London. At this affair, he stated that when the depression came on and Canadian purchasing power was greatly reduced the Government had to choose between retaining the small purchasing power that was left for Canadian industries and Canadian workmen or sharing that purchasing power with factories in Great Britain and elsewhere. The Government, he said, had decided to keep the employment in Canada. As prosperity returned to Canada, it would be possible to share the Canadian market to a larger degree with the British manufacturer. It was a rather bald admission that might have aroused some comment in Britain had it not been for the fact that British newspapermen missed the meeting and the prime minister's speech did not get into the papers.

Safety-first Capital

Earlier I remarked that the more hopeful feeling of British business men in regard to the trend of trade did not have its counterpart in the attitude of financial men toward the value of money. Gilt-edged securities have risen to a high level in London, yields being around 3½ per cent and there has also been a very substantial rise in all other classes of securities. But the inflation movement programme in the United States, the vulnerability of the gold bloc, the uncertainty as to Britain's monetary policy and the general cloudiness as to the course of prices and exchanges in the next few weeks have caused groups controlling large blocks of capital to divide their funds in such a way that the purchasing power of capital funds can be retained largely intact even if opportunities for speculative profit are lost in this hunt for safety. Some large organizations have divided their funds three ways. One third is in bank deposits in the United States, France and Great Britain. One third is in gold bullion and stocks of gold mining companies with proved reserves. One third is in commodities and equity stocks of companies producing primary commodities such as silver, nickel, copper, rubber, etc. As soon as there is some indication of stability in currencies and in the foreign exchanges this safety-first capital will be available for more speculative operations.

STEAMSHIPS IS HOLDING OWN THIS SEASON

(Continued from page 1)

to the shipbuilding and repair subsidiaries operated by Canada Steamship. New building has been greatly restricted, while repair work has not been extensive.

Lower Bank Loans

Though no details are known as to the company's income up to the end of July this year, it is understood that economies put in force have enabled the company to make a satisfactory showing in view of the volume of business handled. Bank loans, which at the end of last year totalled $3,050,000, are reported to have been reduced by several hundred thousand dollars.

Committee Study Affairs

There is no indication of a resumption of interest on the general mortgage bonds. A bondholders committee has been formed to look after the interests of the holders of this security. A deposit agreement has been drawn up and bondholders requested to deposit their bonds so that the committee will have authority to act on their behalf. Bond deposits are slow owing to the wide distribution of holdings, but it is expected that a majority will be had in due course.

Though reports have been circulated to the effect that the committee has drawn up a plan of reorganization for Canada Steamship Lines, it is stated such is not the case. Several meetings of the committee have been held, but the activities to date have been largely to acquaint the members with the workings of the company in order that they may have a fuller appreciation of the difficulties confronting the company.

SILVER PACT MEANS CANADA BUYS METAL

(Continued from page 1)

silver money; third by increasing the size of our present silver coins.

The present fineness of Canadian silver coins is 800/1,000. This could be raised to, say, 900/-1,000. In this manner The Financial Post estimates that 75,000 ounces might be used. This would not be appreciable in comparison with possible absorption of 12,000,-000 ounces by Canada in the four years of the agreement.

It has been suggested that silver dollars might be coined in Canada to use the additional silver. Paper 25-cent notes, "shin plasters" could be withdrawn from use. But they are of little importance. The popularity of silver dollars would probably be doubtful. The bulk of such coins is too great for convenient handling.

Silver Dollars

What will happen if the Dominion coins silver dollars and tries to get them into circulation?

The leading monetary theorists, who have built their theses on past experience, say that in similar cases the coins have accumulated in the government's coffers. As fast as the undesired coins are placed in circulation they are returned to the issuing authority, the government. If this is true, there may be embarrassment as well as expense to the Dominion treasury in the silver agreement.

This accumulation of silver dollars actually occurred in the United States prior to and during the war. But in that case the United States was fortunate in being able to sell some 200,000,000 oz. of the metal to the British Government for shipment to China and India in payment for war purchases. Uncle Sam made big profit by the deal because the sale was made at prices of over $1 an ounce for silver.

Larger Coins

As to increasing the size of silver coins, this could be done. The present 50-cent piece contains only 144 grains of silver, worth less than 12 cents at present prices. The size could be doubled and the fineness increased to 900/1,000. If this were done, The Financial Post estimates that perhaps 700,-000 oz. of silver more than we use at present could be coined. This would perhaps be the maximum which could be conveniently coined without recourse to the bulky silver dollars.

The difficulty both with silver dollars and with increasing the size of our present silver coins is that inconvenient bulk would be given to the pieces. Slot machines, automatic money counters, robot change makers, would all become obsolete. Moreover an expensive replacement of coins would have to be instituted. And as mentioned above, the silver dollars might not "take."

Possible Immensity

The possible immensity of Canada's problem in absorbing 12,-000,000 ounces of monetary silver in four years can best be realized when it is noted that the total fractional currency of the Dominion outstanding at June 30, 1933, was only $1,273,577. Of this possibly $1,000,000 might be in silver coins. They would contain about 600,000 ounces of silver. Under the agreement we might have to absorb 20 times this much of the metal.

The reason that some observers think the plan may ultimately depress the price of silver is that producing countries may accumulate much more silver than they require. Instead of Indian stocks only overhanging the market, there would be these accumulations in Canada, Australia, Mexico and Peru. At the end of the term of the agreement, the position might be the same as that which developed in copper when price maintenance was attempted. The price of silver might collapse if the monetary stocks were marketed.

U. K. FAVORS CROWN COLONY FOR N'FLAND

(Continued from page 1)

would of course have to undertake to restrict its future borrowing.

There is no evidence yet that the Ottawa agreements have materially improved Newfoundland's export position. British iron masters failed, as yet, to take a minimum of 500,000 tons of Newfoundland iron ore yearly, as they contracted to attempt to do, contending that the Newfoundland product cannot be laid down in the United Kingdom at a price to compete with their present supplies from Spain and Africa. But those in touch with Newfoundland's interests in London are hopeful that the agreement may yet work out favorably. Meanwhile Newfoundland has ratified the British preferences although not obligated to do so until a market for her iron ore is found.

Confirming Dispatches

Although Lord Amultree's report to the British Government on the financial position of Newfoundland has not yet been officially presented, dispatches from London to the New York Times state that it will recommend that Newfoundland should temporarily lose her status as a self-governing Dominion and that her finances be put under expert non-political control as a condition to arranging a big reconstruction loan.

It is understood that the report suggests that the whole administration of the island be handed over for a time to a nominated commission to reorganize machinery of Government, collect taxes and conduct the affairs of the colony by administrative order. This situation would then exist until Britain was able to put the Dominion again on its feet.

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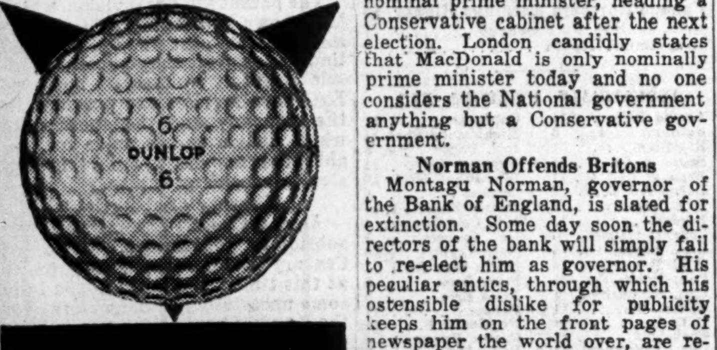

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N'FOUNDLAND TRADE QUIET PAST 6 MONTHS

Imports Are Lower So Government Revenue Suffers

GOOD FISH CATCH

Returns from Large Seal Catch Disappoint But Early Codfish Reports Are Cheering

Special Correspondence

ST. JOHN'S, NFLD.—There is a feeling here that Newfoundland will be slower than the rest of the commercial world in benefitting from the effects of the business upturn which is now evident in the United States and Canada. Business generally continues dull with merchants only buying for their immediate requirements. Imports have fallen off and the main source of revenue for the country is, therefore, severely affected. Opening of the fishing season has meant that the number of persons on direct relief has been considerably reduced, but there is still much distress in isolated outport areas.

Prime Minister Alderdice's recent budget is generally well received, due appreciation being given to him for having faced the facts. The colony now awaits the report of the Royal Commission and when this has been published there are hopes that a way out of the present financial difficulties will be found.

Cod Catch Higher

Although the season opened with an excellent seal catch, prices were so low that the dollar returns to the men engaged were considerably smaller than in previous years in which only average catches were recorded. According to the values of the cargoes, the men averaged only $52 for six weeks work against averages running as high as $150 in former years. However, the large catch was cheering in itself and early reports from the codfishery indicate that a good catch will be obtained there also.

Reports from the Grand Banks area indicate that the banking vessels operating have met with success this season, the catch to date being of excellent quality and exceeding last season by 8,000 quintals. Early catches have already gone forward to Oporto and prices were reported to be good.

Heavy ice formation somewhat curtailed the Labrador fisheries as well as holding back a number of vessels until later than usual. No reports are yet to hand of the catch from this area.

Salmon Backward

In recent years, the salmon fishery has proved most profitable to shore fishermen but the backward spring and inshore ice have reduced the catch to small proportions so far this year. There is a feeling, however, that as weather conditions improve the catch will probably be large enough to bring the total for the season up to average. Prices being paid to fishermen for salmon this year are slightly better, it is stated.

Unmarketed dried fish stocks are causing some small concern. It is estimated that there are still 100,000 quintals of the 1932 stocks on hand, while at this period last year, practically all old fish held over had been disposed of. Dullness in the European markets and the unsettled conditions in Brazil are debited with the holdovers. The trade considers, however, that this holdover will be cleared off before the current year's catch comes to hand in any quantity.

Boom conditions are maintained in the Buchan's mining area, the lead and zinc mines operating to capacity, employing in the vicinity of 1,000 men. Great interest is being taken in the gold discoveries in the interior of Labrador, and United States and Canadian engineers have already set out by airplane to investigate the area near Captain Bondurant's gold discovery. Seven Islands is being made the base and from there prospectors will enter by airplane.

Fewer Failures

Dun and Bradstreet's failures records for the first five and one half months of 1933 show that total liabilities amounted to only $151,345 compared with $1,199,855 in 1932 and $200,773 in 1931. A banker in close touch with conditions stated that while failures have been small this year to date, if present conditions prevail, business mortality will certainly increase.

BRISKER BUSINESS BEING MAINTAINED

Hot Weather Cuts Food Sales Slightly, However

Weekly trade report of the Canadian Credit Men's Trust Association, for the week ending July 22, is as follows:

Halifax.—The tone of business conditions in general shows some improvement. One of the largest textile houses reports orders are coming in faster than they can be filled, and other merchants, both wholesale and retail, report slight increases in the volume of sales. Collections still remain only moderate.

Saint John.—Wholesale trade is reported rather spotty but with gains in some lines. Retail trade has been fairly good with most stores carrying requirement stocks only. Collections reported slightly better.

Montreal.—Wholesale groceries continue in fair demand; boots and shoes report increased activity; ladies' wear improving; dry goods also moving better; clothing and men's furnishings still quiet but better than formerly; hardware fair. Both city and country retail merchants report a fair week's trading. Wholesale collections very fair; retail improving slowly.

Toronto.—Trade report turnover in practically all lines of business continues to show improvement, and retail trade appears to be holding fairly steady. Collections fair.

Winnipeg.—Manufacturing concerns reported as very busy. Wholesale groceries continue to show very satisfactory returns; boots and shoes also report sales very satisfactorily; ladies' wear and clothing lines only fair. Retail trade fair. Collections fair.

Regina.—Wholesalers report a fair volume of trade maintained in grocery line; dry goods fair; hardware fair. Retail city merchants report trade showing a slight improvement.

Country trade is also slightly improved in some districts. Wholesale collections on current accounts good; retail—city, fair to slow; country, nil.

Moose Jaw.—Wholesale and retail groceries reported fair; wholesale boots and shoes fair; wholesale and retail hardware quiet; dry goods fair; collections fair.

Saskatoon.—Wholesale grocers report increased volume over previous week; hardware sales about usual for this season; oil sales continue fairly good; dry goods and boots and shoes about the same as last year, with possibly better results in the footwear trade. Collections fairly good.

Calgary.—Continued warm weather has had a decided adverse effect on retail sales in all lines, excepting possibly summer wear and footwear lines. Present crop indications are undoubtedly going to have an adverse effect on future business throughout southern Alberta. Collections still rather difficult to make.

Edmonton.—Wholesale and retail trade generally showing decided improvement; wholesale hardware particularly report increase in volume. Very noticeable improvement in collections with considerable activity reported on seemingly dead accounts. Crop prospects favorable.

Vancouver.—Trade conditions reported as very much the same as during past several weeks. Merchants generally report volume of sales as on the upgrade. Collections remain fairly good on current purchases.

Real Property Assessment $8,222,259,998 in Canada

Exemptions 19.4 Per Cent of Real Property Assessments — High Per Capita Assessments in West Contrast With Low Figures for Maritimes

Total taxable real property in Canada amounted to $8,222,259,998 in 1931, according to assessment values tabulated by the Dominion Bureau of Statistics. Including personal property, income valuations and other items, total taxable valuations were $8,752,118,963. The striking feature of the compilation is the high assessment valuations in the western provinces in contrast to low assessment per capita in the Maritimes.

Property exempt from taxation amounted to $1,598,349,761, in 1931, being 18.3 per cent of the total taxable valuations and 19.4 per cent of the assessed value of real property. These percentages would be considerably higher, but for omission of exemption figures for three provinces.

Assessment values of real property generally tended to increase between 1919 and 1931, as the following table shows:

Comparative Changes in Assessment Valuations of Real Property by Provinces

	1931 $ 000's	1925 $ 000's	1919 $ 000's
P. E. I.	32,596	30,571	31,140
N. S.	140,107	141,025	100,069
N B.	130,053	100,638	81,078
Que.	2,210,943	1,810,576	1,397,803
Ont.	2,811,763	2,427,972	1,913,501
Man.	539,012	576,381	467,857
Sask.	1,089,729	1,055,521	1,071,035
Alta.	579,960	620,374	407,590
B. C.	688,096	568,729	557,939
Total	8,222,260	7,331,786	6,028,013

Data Not Comparable

The above table does not allow deduction for exemptions because these are not shown for all the provinces. It should be noted that these figures are not comparable in all cases because of the widely divergent assessment policies in the municipalities of the various provinces.

Exemptions from taxation on real properties, by provinces for which this figure is available, are as follows:

Exemption of Real Property from Taxation by Provinces—1931

	$ 000's	Ratio to real property assessments %
P. E. I.	1,828	5.6
Nova Scotia	48,119	34.1
New Brunswick	not shown	....
Quebec	705,798	31.9
Ontario	536,536	19.1
Manitoba	156,794	29.1
Saskatchewan	not shown	....
Alberta	not shown	....
British Columbia	149,275	21.7

This table indicates that total exemptions would actually be from 25 to 30 per cent of assessed value of real property, if all figures were available. While Quebec leads the exemption list, its total includes $113,131,962 of temporary exemptions.

Striking Variations

There are some striking variations in the total assessed values for real properties in the different provinces. For instance Saskatchewan's assessment is nearly twice as large as that of Manitoba. British Columbia's assessments are also higher than those of Manitoba. These differences are due to different assessment methods in various municipalities. This is shown below:

Comparison of Assessment by Types of Municipalities in Provinces—1931

	Cities $ 000's	Towns, Villages $ 000's	Rural Munic. $ 000's
P. E. I.	8,734	4,851	25,717
N. S.	71,554	59,017	46,645
N. B.	62,789	30,029	60,746
Que.	1,481,205	211,669	530,604
Ont.	1,964,986	404,165	814,001
Man.	277,454	49,673	229,976
Sask.	123,590	105,137	905,733
Alta.	163,662	54,772	377,312
B. C.	534,047	4,429	149,620

High Assessments

From this it is clear that rural assessments in Saskatchewan are very high. The total is higher than that for Ontario, a wealthier province. It is also noticeable that assessments in British Columbia cities are higher than elsewhere because the total for this category is almost as much as for all cities in the three Prairie provinces. High assessments of this kind are generally considered by taxation authorities to indicate a desire to impress the taxpayer with a low mill rate. This, of course, may mean nothing, if the assessment is excessive.

The meaning of the provincial totals for assessment of real property clearer, if compared with population figures. Such a comparison is made below:

Comparison of Population and Valuation of Property for Taxation in Canadian Provinces—1931

	Pop'n. No. 000's	Tax. Val'n. $ 000's	Tax. Val'n. per head $
P. E. I.	88	39,302	447
N. S.	513	177,216	345
N. B.	408	153,565	376
Que.	2,874	2,223,479	774
Ont.	3,432	3,183,152	927
Man.	700	557,103	796
Sask.	922	1,134,461	1,230
Alta.	732	595,745	814
B. C.	694	688,096	991

From this a striking picture of the high assessments in western provinces emerges. Saskatchewan has the highest per capita assessment in Canada. British Columbia comes next. Ontario is third, but has greater wealth in comparison to the western provinces. Then we find Alberta and Manitoba both higher in per capita assessment than Quebec.

The Martime provinces show very low per capita assessments, Nova Scotia boasting the least with $345 per head. Both New Brunswick and Prince Edward Island also have low per capita assessments of $376 and $447 respectively.

Pulpwood Operations Active in New Brunswick

From Our Own Correspondent

MONTREAL.—Pulpwood operations in New Brunswick this year are expected to result in a cut of approximately 100,000 cords. The pulpwood is being absorbed by New Brunswick and Maine mills, with a large proportion going to the plant of the Maine Seaboard Pulp and Paper Co. at Bucksport, Me. Charlotte and Northumberland counties are furnishing the chief activity, although small amounts of wood are being cut in York and other counties.

Rebates offered by the provincial government has proved a stimulant to increased operations.

Price Bros. Stock Transferred to Curb

From Our Own Correspondent

MONTREAL. — Common stock of Price Bros., recently suspended from trading on the Montreal Stock Exchange, has been admitted to trading in the unlisted department of the Montreal Curb Market. Similar action has been taken in respect to Price Bros. preferred shares.

CAN. INVESTMENTS BR. EMPIRE TRUST BETTER IN 1932

Chairman Sees Improvement in Canadian Primary Industries

Signs of improvement in Canadian economic conditions were seen by J. Davidson, chairman and managing director of British Empire Trust Co. Ltd., in presenting the annual report of the company to shareholders recently.

As a result of improvement in value of investments, mainly in Canadian properties, dividends were increased from five to six per cent on preferred ordinary shares and seven to eight per cent on deferred ordinary shares.

Income from investments and services was reduced from £76,421 to £73,052 in the last fiscal year, as compared with the previous period. But the recovery of losses in investment values was £75,466 of previous depreciation plus a profit over book values of £10,526, a total of £85,992. Last year the depreciation on investments was removed from contigent account. This year the increase in values was returned to contingent account with the exception of £25,000 which was added to reserve.

Views on Canada

Of Canada, and some of the trust's important Canadian investments, Mr. Davidson spoke, in part, as follows:

"A year ago I told you that Canada was suffering severely from the inability of her consumers all over the world to take their usual supplies of the raw materials which she produces . . . I am glad to say, however, that in both these basic industries, as well as in other directions, there are definite signs of improvement.

"I believe that it would be safe to say that the low water mark of prices of primary products may well have been reached in 1932 and that some improvement from now onward may be confidently expected. If this is so it may be expected before long to be reflected favorably in railway earnings, power consumption, and every other branch of industrial activity."

Of B. C. Power Corp., it was stated: "The company has continued its policy of making improvements and extensions to its plant. During its financial year ended June 30, 1932, it expended over $1,700,000 in this direction in the anticipation that these extensions will prove highly profitable with the revival of trade and general business.

Canadian Western Lumber Co.

"The year 1932 was the worst ever experienced during the existence of the (lumber) company . . .

"Sales of lumber for the first five months of this year show an increase . . . and I am pleased to say that since the beginning of the present year prices have shown a slight improvement over those obtained during the latter part of 1932 . . .

"This encourages the hope that the improvement in prices will be progressively sustained, but this will depend upon production being kept in line with demand. The effect of the improvement has been to induce some mills which were closed down to again start operations, and unless demand continues to require this addition to supply it is difficult to see how the welcome rise in price, so essential to the success of the industry, can be maintained."

Of the trust's investment in Canadian and Foreign Securities Co., the chairman said:

"This company, in common with other companies of like character, was further adversely affected by the continued duration of the depression during 1932. However, the excellent liquid position of the company was well maintained and the large holding of high-grade bonds and interest-bearing cash deposits enabled the company to add a substantial amount to the profit and loss account after providing for all expenses and interest on its debenture debt."

Bathurst Paper Plant at Capacity

From Our Own Correspondent

MONTREAL. — For the first time in several years the newsprint plant of Bathurst Power and Paper Co. has been placed on a full time basis. This refers actually to only one machine, as the second machine was converted over to the manufacture of container fibre board some time ago. Nominally the Bathurst plant has a rating of 140 tons of newsprint daily, but the effective capacity is half of that figure.

The increase in operations is attributed to the shipment of newsprint to the British market. In the past this company has marketed a goodly share of its output in the United States, the balance being sold to publishers in the Maritime Provinces.

Radio Corp. Buys Interest in Canadian Television Co.

From Our Own Correspondent

MONTREAL.—Sale of the assets of the DeForest Radio Co. of Passaic, N.J., to the Radio Corp. of America has been approved by the Delaware Courts. By the acquisition of these assets Radio Corp. obtains control over all the patents and developments of the Jenkins Television Corp. and the Jenkins Television Laboratories. With these assets Radio Corp. secures a large block of stock in the Canadian Television Ltd., which holds an exclusive license and control of all the patents of the Jenkins Television Corp. in Canada.

THOROUGHLY EXPERIENCED

in undertaking the care and management of the property of clients and their families.

Crown Trust Company

393 ST. JAMES STREET • MONTREAL

LET US SERVE YOU AND YOUR FAMILY

CHASE & SANBORN'S COFFEE

Canada's favorite for half a century

A quality product of

STANDARD BRANDS LIMITED

HEAD OFFICE: MONTREAL

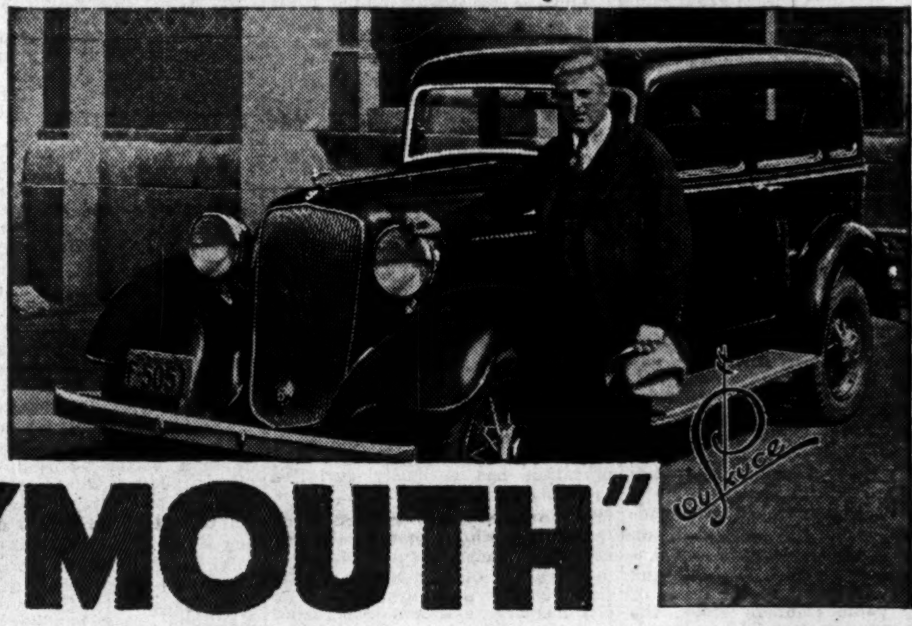
A Canadian corporation operating Canada's largest fresh food delivery system

MANUFACTURERS AND DISTRIBUTORS OF

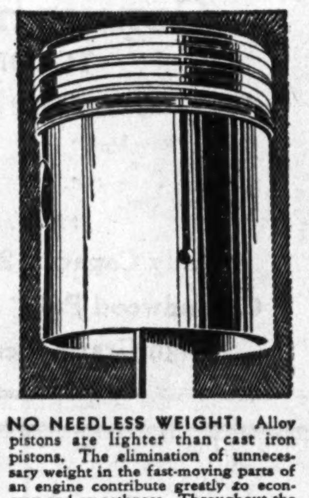
Fleischmann's Bakery Products - Fleischmann's Yeast for Health - Magic Baking Powder - Gillett's Lye - Royal Yeast Cakes - Chase & Sanborn's Tea and Coffee

A CERTIFIED INTERVIEW WITH LOU SKUCE, FAMOUS CARTOONIST, TORONTO

"I LOOKED - I DROVE - I COMPARED! That's why I bought a PLYMOUTH"



NO MORE VALVE GRINDING! The invention of the hardened steel insert, a feature on all Plymouths, prevents valves pounding down into the cylinder block, prevents "pitting", and postpones valve grinding for 30,000 miles or more. Due to the valve seat insert Plymouth engines are more economical in consumption of gas and oil, and run smoother for longer periods.



NO NEEDLESS WEIGHT! Alloy pistons are lighter than cast iron pistons. The elimination of unnecessary weight in the fast-moving parts of an engine contribute greatly to economy and smoothness. Throughout the Plymouth all needless weight has been engineered out.

LOU SKUCE is one of thousands who are insisting on getting the mechanical reasons behind every claim before they buy a motor car.

Mr. Skuce says: "I bought my Plymouth in the new way. I looked, I drove, I compared—that's why I bought a Plymouth. I checked it point by point . . . I found a mechanical unit to justify every claim made for Plymouth. I liked its looks, too—its lines are sound and graceful."

Thanks, Mr. Skuce. We appreciate your making such a frank statement and giving us permission to print it.

We think that there are a lot of people who buy the same kind of car over and over, purely from habit who will find that they can get more value for their money by this method of buying . . . by comparing part by part—feature by feature and comparing performance from every angle.

Plymouth claims for *safety* are backed by actual safety features like Hydraulic Brakes, all-steel bodies and double drop frames with X-type girder truss sections.

Plymouth *performs* better and costs less to run because there is no needless dead weight. Plymouth gives you a smoother ride because it has genuine Floating Power engine mountings — which give longer life, too, for vibration is a killer of men and machines.

Plymouth *operating costs* are lower because of generous bearing surfaces in all moving parts and 28 anti-friction bearings in the chassis—14 of them of tapered roller type.

To make sure that everyone has before him the principal points of comparison, we print the table shown here. Dealers will tell you about many others.

We think that after reading it you will want to own a Plymouth—but anyway, LOOK, DRIVE, and above all COMPARE!

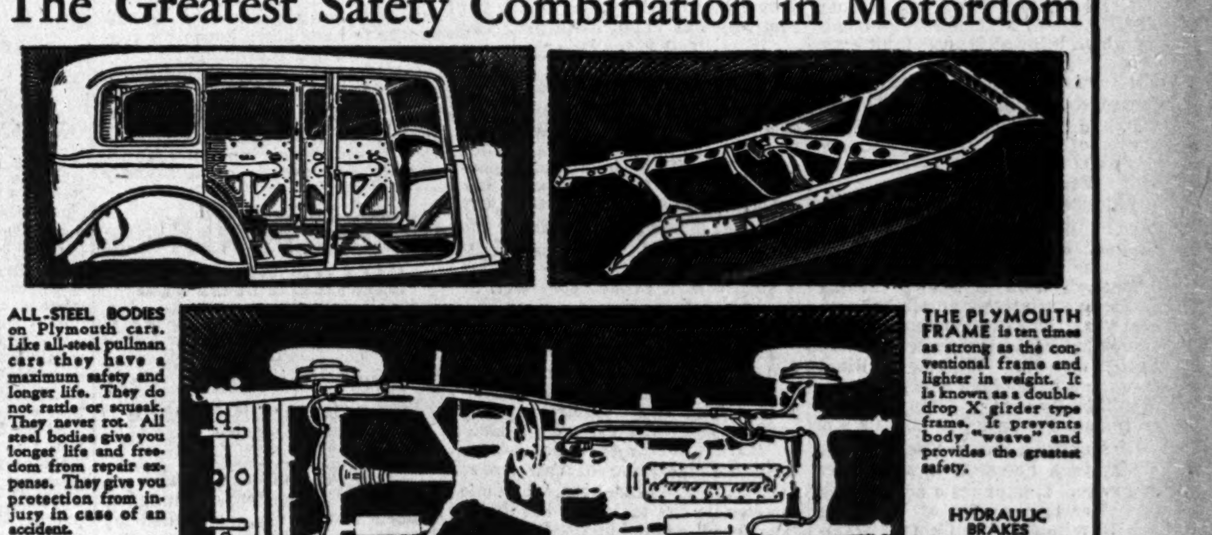
Without Floating Power

With Floating Power

WITHOUT FLOATING POWER engine vibration is transmitted to the whole car and makes the car "jitter". This vibration is one of the principal causes of driving fatigue, and no ordinary motor mounting could entirely eliminate engine vibration.

DRIVING FATIGUE BANISHED! Genuine Floating Power engine mountings are used in the Plymouth. They absolutely smother engine vibration . . . no "jitter". Genuine Floating Power engine mountings are patented. There is no substitute.

The Greatest Safety Combination in Motordom



ALL-STEEL BODIES on Plymouth cars. Like all-steel pullman cars they have a maximum safety and longer life. They do not rattle or squeak. They never rot. All steel bodies give you longer life and freedom from repair expense. They give you protection from injury in case of an accident.

THE PLYMOUTH FRAME is ten times as strong as the conventional frame and lighter in weight. It is known as a double-drop X girder type frame. It prevents body "weave" and provides the greatest safety.

HYDRAULIC BRAKES always equalized, require no lubrication, seldom require adjustment, give you a smoother, quicker stop with less wear on the brake drums.

"Look at all Three"—and Compare!

FEATURES	STANDARD PLYMOUTH	CAR A	CAR B	DELUXE PLYMOUTH	CAR A	CAR B
No. of Cylinders	6	4	6	6	8	6
Engine Mountings	Genuine Floating Power	3-Point Rubber	4-Point Rubber	Genuine Floating Power	3-Point Rubber	4-Point Rubber
Brake Horsepower	70 at 3600 RPM	50 at 2800 RPM	60 at 3000 RPM	70 at 3600 RPM	75 at 3800 RPM	65 at 2800 RPM
Type of Piston	Aluminum Alloy T-Slot	Aluminum Alloy	Cast Iron	Aluminum Alloy T-Slot	Aluminum Alloy	Plated Cast Iron
No. of Rings Per Piston	4	3	3	4	3	3
No. of Main Bearings	4	3	3	4	3	3
Camshaft Drive	Chain	Gear	Gear	Chain	Gear	Gear
Exhaust Valve Seats	Special Alloy Inserts	In Block	In Head	Special Alloy Inserts	Special Alloy Inserts	In Head
Wheel Base	108	112	107	112	112	110
Overall Length	174	176	170	178½	176	175
Body—Type of Construction	All-Steel	All-Steel	Composite	All-Steel	All-Steel	Composite
4-Door Sedan, Pounds Per Brake Horsepower	36	49	40 (2-Door)	38	34	45
Service Brakes	Hydraulic	Mechanical	Mechanical	Hydraulic	Mechanical	Mechanical
Brake Drums	Pressed Steel	Cast Iron	Pressed Steel	Centrifuse	Cast Iron	Pressed Steel
Hand Brake	On Drive-Shaft	Same as Service	Same as Service	On Drive-Shaft	Same as Service	Same as Service
Frame	X-Type with Box Section Channel	X-Type	Conventional	X-Type with Box Section Channel	X-Type	Conventional
Clutch Release Bearing	Ball	Ball	Graphite Bushing	Ball	Ball	Graphite Bushing
No. of Tapered Roller Bearings	14	10	2	14	12	2

PLYMOUTH SIX

STANDARD MODELS $655 AND UP

ALL PRICES F.O.B. FACTORY, WINDSOR, ONTARIO . . . FREIGHT AND TAXES EXTRA

DE LUXE MODELS $735 AND UP

Utilities and Transportation

Wpg. Electric's Affairs Assuming Concrete Form As Bondholders Unite

Manitoba Power and Winnipeg Electric Bondholders Form Committees to Protect Their Interests

MAYOR WEBB THINKS TIME OPPORTUNE

Reorganization With View to Consolidating Interests Possible if Agreement Can be Had from Several Conflicting Groups of Security Holders

From Our Own Correspondent

MONTREAL.—Affairs of Winnipeg Electric Co. and its subsidiaries—Manitoba Power Co. and Northwestern Power Co.—are near the point where an attempt will be made to effect a reorganization satisfactory to all interests or sell certain properties to the city of Winnipeg.

Following the failure of Northwestern Power Co. to pay bond interest and the failure of Winnipeg Electric to back up its guarantees, bondholders of that company formed a protective committee. This committee has threatened to take action against the parent concern to make good its guarantee of principal and interest on Northwestern's bonds.

Two More Committees

In order to protect their interests, bondholders of Manitoba Power Co. and holders of the refunding mortgage bonds of Winnipeg Electric have drawn up committees.

Personnel of the Manitoba Power committee includes J. H. Lithgow, chairman; R. S. Waldie and J. F. Weston, Toronto; H. L. Guy, Waterloo; J. S. Aird, Montreal; H. E. Sellers, Winnipeg; William Ferguson, Arthur H. Gilbert and George de B. Greene, New York.

The committee for the refunding mortgage bondholders of Winnipeg Electric includes C. S. Macdonald, chairman; J. H. Black, C. C. Calvin and D. H. McDougall, Toronto; M. A. Thomson, Montreal; Hon. T. A. Crerar, Winnipeg; D. P. Abercrombie, James B. Cullum, Jr., and George N. Emory, New York.

These two committees are self-constituted and hold only a watching brief as they have not been legally appointed by the holders of the bonds to act on their behalf.

Announcement of the formation of these committees was made July 21 and on the same day Mayor Ralph Webb of Winnipeg issued a formal statement in which, among other things, he said:

"I am convinced that the solution of our street railway problem is to take over all the public utilities in the Greater Winnipeg area, and the present seems to be the opportune time to start negotiations. If the company was able to reorganize and placed itself in a strong position, it might not be ready to meet the city. On the other hand, it might sell out to an entirely new concern."

Issued Many Securities

The consolidated capital set-up of Winnipeg Electric and its subsidiaries covers: Winnipeg Electric Co. direct—$5,000,000 of first mortgage bonds, $11,380,000 of refunding mortgage bonds, $5,000,000 of preferred stock and 244,772 shares of no par value common stock. No dividends have been paid on the common stock since the latter part of 1930, while the preferred has been in arrears since October 1, 1931. The company paid the July 1 interest on its first mortgage bonds. Interest on the refunding mortgage bonds falls due on October 2 and it is possible that this payment may not be met.

Manitoba Power Co. has outstanding $12,500,000 of funded debt, on which Winnipeg Electric guarantees payment of both principal and interest. Of the 150,000 shares of no par value common stock, the parent concern owns 90.5 per cent. Obligations in connection with the funded debt have been met in full.

Northwestern Power Co. issued $10,000,000 of first mortgage bonds on which interest is in default even though guaranteed by Winnipeg Electric. All of this company's preferred stock, amounting to $1,000,000, and 88 per cent of the 250,000 shares of common stock issued, are owned by the parent concern.

Face Three Problems

Winnipeg Electric's difficulties can be divided into three major groups. First is the over-expansion of power producing facilities. The company's own power producing plants are relatively small, but several years ago it undertook the development of a power site at Great Falls on the Winnipeg River through a subsidiary now known as Manitoba Power Co. This plant has an installed capacity of 168,000 h.p.

Manitoba Power Surplus

Manitoba Power is a wholesaler of power. It supplies a small block of power to the City of Winnipeg and to mines in the Central Manitoba area. The two principal customers, however, were Winnipeg Electric and Manitoba Power Co. The latter contracted for 20,000 h.p., but last year failed to live up to the contract. Since then Manitoba Power has been contending with the problem of finding an outlet for this large block of power in a market already over-supplied with energy.

Around about 1926 Winnipeg Electric's management foresaw a shortage of power and despite the fact that the City of Winnipeg had plans for a large power development, considered the development of the Seven Sisters power site on Winnipeg River. In 1928 the Northwestern Power Co. was formed and $10,000,000 of bonds sold to the public.

Northwestern Costly

Early in 1932 the plant was ready to make initial delivery of power, but owing to the unfavorable turn of economic conditions in the Winnipeg area, Winnipeg Electric was not in a position to market the output of this unit nor was it financially capable of carrying this unwanted power.

Despite the fact that Winnipeg Electric unconditionally guaranteed principal and interest, Northwestern Power failed to meet its obligations in respect to funded debt.

Thus, at this time Winnipeg Electric has a surplus power at Manitoba Power Co.'s plant, while the Northwestern Power units capable of turning out 60,000 h.p. are of no economic use at this time.

Tramways Cause Worry

The next major problem confronting Winnipeg Electric is seen in its tramway department. Many years ago Winnipeg Electric secured an exclusive franchise to serve Winnipeg and district with a tramway service. In return for this franchise the company undertook certain obligations, notably to pay the city a tax on gross receipts, pay snow removal and paving charges, etc.

The history of the tramways has been much the same as that experienced by companies operating in other cities. The use of the automobile and other means of transportation has seriously curtailed the volume of traffic. Expenses have not diminished in the same ratio as gross income. Winnipeg Electric has endeavored to secure a modification of the terms of the franchise but without success. The city has been adamant in refusing to make concessions. The provincial government and the Manitoba Utilities Commission have been drawn into the fray, but so far the company has made little progress.

Tail Wags Dog

The tramways division account for about 18,000 h.p. of electrical energy in its operations—an important consideration for Winnipeg Electric. In addition it bears a due proportion of the overhead expenses. While Winnipeg Electric has threatened to abandon the tramway lines, yet it has not done so for the probable reason that what little benefit it receives from this division is such that it cannot very well be thrown overboard.

Compete With City

The third major problem confronting Winnipeg Electric is the competition offered by the municipally-owned hydro-electric system in Winnipeg—the company's largest market for its service. Admittedly the operation of two power systems in the same area, when one can handle the task, can hardly be considered economical. Winnipeg Electric has offered to buy out the municipal system, but the city refused to accept this suggestion. Failing in this move, the company offered to sell its distribution system in Winnipeg to the city, but this proposal did not get very far.

Earnings Register Decline

Earning power of Winnipeg Electric has naturally been adversely affected in the last three years. The decline in its own operations; the loss of the Manitoba Paper market for power; inability to market Northwestern Power's output; and unprofitable tramway operations, have been reflected in the income account.

In 1930 Winnipeg Electric earned $11.46 on its $6 preferred stock. In 1932 earnings had dropped to $3.53. Nothing has been earned on the common stock since 1930, when 92 cents a share was reported.

Indications are that the current year will not witness any betterment in earnings. For the six months ended June 30, the company had a gross income of $2,677,413, compared with $2,923,251 for the same period a year ago. Operating expenses were cut from $2,014,395 to $1,866,986, but this did not prevent the net operating income declining from $908,856 in the first half of 1932 to $810,427 for the same period this year.

Look to Reorganization

Those close to the company feel that Winnipeg Electric can be put on a sounder financial and operating basis through a reorganization. It is likely considerable opposition will have to be overcome before any comprehensive plan can be put into effect.

One group is of the opinion that Winnipeg Electric's interests should be consolidated. In order to do this consideration would have to be given to at least four major factors. First, is the matter of the tramways. Undoubtedly the company would be willing to sell this property to the city, provided that it could get what it considered was a fair price. At the same time, the company would want to retain the power contract. The city, having its own power plant, would not likely consider a proposal on that basis.

The second factor has to do with Northwestern Power Co. This company is of little value at this time. With a turn in business conditions and a marked increase in demand for power, the Seven Sisters plant would be a distinct acquisition, Meanwhile, the company is not in a position to carry it. The bondholders of Northwestern Power are not likely to waive their rights. The power plant may be of no use at this stage, but that is something for Winnipeg Electric to worry about.

Want Manitoba Power

Manitoba Power Co. appears to be in a better position than the others. Power from Great Falls is essential to Winnipeg Electric. Its plant is an integral part of Winnipeg Electric System. Any plan of reorganization for Winnipeg Electric would undoubtedly give prime consideration to the position of Manitoba Power bondholders.

As for the company itself, the bondholders naturally would have ranking seniority. The preferred and common shareholders do not appear to have much hopes for representation in a reorganization.

Matters are fast coming to a head. It is expected that before long some plan of reorganization, or development, will take place with a view to putting Winnipeg Electric and its subsidiaries on a sounder basis.

Electric Boilers Help Power Trade

From Our Own Correspondent

MONTREAL.—Electricity used in electric boilers for the generation of steam recorded a decline in June, the Dominion Bureau of Statistics reporting 224,167,000 kw.h. of electrical energy having been used in this way compared with 246,221,000 kw.h. in the previous month.

During the second quarter of the current year nearly three-quarters of a billion kw.h. of energy were used in the generation of steam. The total reported by the Bureau was 726,176,000 kw.h. Comparative figures for the same quarter last year are not available. With the exception of a small amount used in hospitals, private buildings, etc., nearly all of the steam generated in the electric boilers was used in the pulp and paper plants of Quebec and Ontario.

QUEBEC POWER SHARE PROFITS AT GOOD LEVEL

Returns for Half Year Indicate Small Decline for 1933

From Our Own Correspondent

MONTREAL.—Share earnings of Quebec Power Co., controlled by Shawinigan Water and Power Co., during the first half of 1933, after allowing for depreciation at the same rate as in 1932, amounted to 58 cents a share compared with 66 cents a share for the corresponding period a year ago.

In declaring the regular quarterly dividend of 25 cents a share, the directors have issued an interm income statement for the January-June period of 1933. This shows a gross revenue of $1,899,688 compared with $2,111,189 in the first half of 1932.

Lower General Expenses

Substantial reductions have been made by the management in operating and other expenses to offset the decline in gross income. Fixed charges also are somewhat lower this year due principally to the lower amount paid in the form of premium on United States exchange.

Surplus earnings for the first six months of 1933, before depreciation and income tax, amounted to $442,587. This compares with $486,969 for the corresponding months of 1932. With provision for depreciation on the same basis as last, share earnings for the half year work out as above.

Comparative figures of the income account for the first half of 1933 and 1932 follow:

Six Months Ended June 30

	1933 $	1932 $
Gross revenue	1,899,688	2,111,189
Oper. taxes & other exps.	1,140,181	1,302,592
Exch. on bond int. ...	23,529	27,091
Fixed chgs.	293,391	294,537
	1,457,101	1,624,219
Surplus before deprec. & inc. tax	442,587	486,969

City Gas and Electric Seek Listing of Stock

From Our Own Correspondent

MONTREAL.—City Gas and Electric has applied to the Montreal Curb Market for the listing of its no par value common shares of which 39,198 out of 100,000 shares are outstanding.

City Gas is an operating public utility with a gas plant and distribution system at Three Rivers and an electrical distribution system in the County of Yamaska and surrounding district and mills at Huntingdon, P.Q.

AUTO SALES HOLD NEAR 1932 LEVEL IN PAST MONTH

Most Makes Have Better Showing But Ford Down

Decline in June sales of Ford cars in Eastern Canada as compared with a year ago is the feature of an analysis made by The Financial Post of automobile sales, figures compiled by Might's Directories and published in Canadian Automotive Trade. Introduction of the new Ford models in the early summer of 1932 resulted in heavy June sales of Ford cars, a total of 2,464 being disposed of in Eastern Canada, compared with 1,149 in June this year.

These extraordinarily heavy June sales of Ford last year are sufficient to make the total for all cars greater than the total for June, 1933, although almost all other manufacturers report increased business. In fact, with the exception of Ford, all the leading ten makes report more sales in June than in the same month a year ago.

Satisfactory Showing

During June, 5,027 new passenger cars were sold in Eastern Canada, as compared with 5,694 in June a year ago and 5,319 in May this year. The showing when compared with May this year is a very satisfactory one, the decline in previous years being much greater. Even in 1932, when large sales of Fords in June somewhat altered the seasonal trend, the decline from May was almost 1,000 cars.

Dodge continues the excellent record compiled in earlier months with sales of 505 cars as compared with 79 in June a year ago and sales of other Chrysler products with the exception of DeSoto are well maintained. General Motors' four leaders, Chevrolet, Pontiac, Buick and Oldsmobile, are all greater than in June a year ago. Pontiac sales at 374 being almost double the June, 1932, total.

For the six months of the year to date, few cars show a better record than for the corresponding period a year ago. Dodge, of course, is an outstanding exception, while Pontiac and Frontenac have also higher totals. Ford has slipped over 1,500 units, Buick approximately 500 and Studebaker 230.

Six Months' Sales

Six months' sales of all makes amount to 20,001 as against 23,856 in the first half of 1932. Totals for all provinces with the exception of Prince Edward Island, are lower, Ontario suffering least.

Sales of Leading Makes of Automobiles in Eastern Canada

	June 1933	June 1932	First Six Mos. 1933	First Six Mos. 1932
Chevrolet	1,386	1,085	6,034	6,910
Ford	1,149	2,464	3,909	5,433
Dodge	505	79	2,043	703
Plymouth	464	448	1,709	1,819
Pontiac	374	180	1,513	1,345
Buick.	227	208	978	1,476
Essex	176	121	557	617
Chrysler	134	132	567	730
Oldsmobile	122	82	464	480
Frontenac	106	99	428	268
Studebaker	67	90	267	595
Willys	59	112	332	503
DeSoto	57	125	284	707
Sales by Provinces				
Ont.	3,395	3,856	13,976	15,243
Que.	1,167	1,166	4,301	5,544
N. B.	184	216	468	1,208
N. S.	288	419	1,152	1,761
P. E. I.	43	27	104	100
	5,027	5,694	20,001	23,856

SOUTHERN CANADA AREA MORE ACTIVE

Power Company Outlines New Developments in Last Quarter

From Our Own Correspondent

MONTREAL.—An appreciable increase in industrial activity and a renewed spirit of optimism in its territory is reported by Southern Canada Power Co. in a circular letter to shareholders covering new developments in the second quarter of the current year.

In Drummondville, the circular says, the Dominion Textile Co., is more active and reports substantial orders on hand. Canadian Celanese are very busy and propose shortly to considerably increase their dyeing and weaving facilities, by the erection of additional floor space and installation of additional machinery.

At St. Hyacinthe, the Goodyear Cotton Co. are setting up additional machinery to take care of additional spinning operations. There is also a small factory being erected by Arthur Maurice for the weaving of broadsilks.

Two Plants Taken Over

At St. Johns, the Commonwealth Match Co. has taken over the plant of the Columbia Match Co. and the plant is now in operation. Conduits and Fittings Ltd., have installed machinery for the manufacture of Thomas and Betts products which has been transferred to their plant.

At Actonvale, Quebec, the Silk Industries of Canada Ltd. has been incorporated to take over the plant of the National Silk Mills and building and machinery are being overhauled.

At Waterloo, the industrial building erected by the town has been taken over by the Mack Molding Ltd., a subsidiary of the Mack Molding of Wayne, New Jersey. This enterprise manufactures moulded bakelite products and already has a substantial business established throughout Canada.

Construction of a new road between Magog and Waterloo has created a power load of over 300 h.p. to drive the crushers, screens and other machinery.

Dominion Coal Co. Calls Block of Bonds

From Our Own Correspondent

MONTREAL.—Dominion Coal Co. has called for redemption at 105, $291,000 of its 5 per cent first mortgage bonds, due 1940, on August 1 next. At the end of 1931 the company had outstanding $3,085,000 of these bonds. On May 1, 1932, $278,500 of the issue was called for redemption, which with the present lot, brings the company's funded debt down to $2,794,000.

WHEN REMITTING SEND CANADIAN NATIONAL EXPRESS MONEY ORDERS

Rubber Belting new, guaranteed quality, 6" 4 ply at 18 cents per foot, 5" 4 ply at 15 cents per foot, 4" 4 ply at 12 cents per foot. Write for prices on endless Thresher Belts.
New Rubber Guaranteed Kant Kink Garden Hose ½ inch at 5 cents per foot.
N. SMITH BELTING WORKS
138 York St., Toronto

Electric Energy Output Records Gain in Half Year

Increase in Newsprint Operations and Wider Use of Electric Boiler Stimulate Production — June Exports Register Sharp Advance

From Our Own Correspondent

MONTREAL.—Increased production of newsprint and greater use of the electric boiler for the generation of steam were primarily responsible for the Canadian central electric stations reporting an increase in output during the first half of 1933 compared with the corresponding months of 1932.

The Dominion Bureau of Statistics reports that between January and June, 1933, the central stations produced 8,083,295,000 kw.h. of electric energy. This compares with 7,926,493,000 kw.h. for the same period in 1932.

By far the most interesting feature of the returns is that all areas with the exception of Quebec had a smaller production of energy this year than was the case in 1932. Thus Quebec's increase was sufficient to offset the losses in other areas and give the Dominion a slight increase in output as against last year's returns.

Following are the production figures of the five main areas for the first half of 1933 and 1932. These figures refer only to energy generated by water power which accounts for over 90 per cent of the total:

(in 000 Kilowatt Hours)

	1933	1932
Maritimes	266,608	292,110
Quebec	4,487,189	4,113,572
Ontario	2,016,169	2,157,815
Prairie Prov.	596,539	635,241
B. C.	573,063	578,512

Export Total Lower

Export of energy to the United States in the first half of this year amounted to 304,621,000 kw.h. For the same period last year exports totalled 340,803,000 kw.h. In recent months, however, the trend has been more favorable, as will be seen in the detailed analysis of the June returns.

Output of central stations for June, 1933, was larger than for the corresponding months of 1932 and 1931, according to returns compiled by the Bureau of Statistics. The gain was due to the greater activity in Quebec, Ontario and the Maritimes, the stations gains in those areas offsetting losses in the Prairie Provinces and British Columbia.

Energy generated last month amounted to 1,370,913,000 kw.h., compared with 1,349,942,000 kw.h. in the previous month and with 1,198,232,000 kw.h. in June, 1932.

Largest Month to Date

The amount of energy generated by water power was 1,349,280,000 kw.h., the largest output for any month since December, 1932. Power generated by fuel in June aggregated 21,633,000 kw.h., or roughly the same as in the preceding month.

Examination of the return shows the following output by central electric stations in the five economic areas for June, 1933 and 1932. These figures apply only to energy generated by water power:

June (in 000 Kilowatt Hours)

	1933	1932
Maritimes	54,152	47,894
Quebec	774,039	633,614
Ontario	349,180	325,476
Prairie Prov.	80,471	83,542
B. C.	91,438	86,147

Exports on Better Scale

A feature of the returns last month was the marked increase in exports of energy. For several months past this division of the power industry has been in the doldrums, but in June exports suddenly jumped to 86,673,000 kw.h.. compared with 42,875,000 kw.h. in the previous month. This is the largest volume of exports since October, 1931.

NOVA SCOTIA COLD STORAGE DISPOSAL UNDER DISCUSSION

Halifax Harbor Board Likely to Acquire Plant

From Our Own Correspondent

MONTREAL.—Federal Government authorities and the Halifax Harbor Commissioners are understood to have discussed the suggestion set forth in the Port Survey, prepared by Sir Alexander Gibb, that the Nova Scotia Public Cold Storage Terminals plant should become an integral part of the Halifax Harbor Commissioners' property, provided that equitable terms could be arranged.

No announcement was made following the meeting, but it is understood that the decision was reached that the cold storage plant was an essential part of the commission organization.

The Gibb report took the stand that the harbor commission plant would be inadequate without some cold storage facilities and every step necessary should be taken to assure its continuance of operation.

Represents $3,000,000 Outlay

The Nova Scotia Cold Storage Terminals came into being in 1930. Public financing was carried out to the extent of $1,700,000 of first mortgage bonds. The Dominion Government assisted in the building of the plant with a cash subsidy amounting to 30 per cent of the cost of constructing and equipping the terminals. In addition a considerable amount of junior money was put into the enterprise which involved a capital outlay of nearly $3,000,000.

One of the principal departments of the plant and one which involves a large capital expenditure was a quick-freezing process equipment for handling fish. For a time this unit enjoyed a fair measure of success but with the restriction of steam trawler operations and consequent irregularity of supplies, this department fell on hard times.

Authority to Committee

In 1932 the company was forced to pass interest on its bonds. A short time later the bondholders were asked to give authority to a committee to negotiate the sale of the plant. While it was not stated at the time, it was generally understood that this committee would negotiate with the Dominion Government or the Halifax Harbor Commission. Negotiations have been carried on since that time with varying results.

The fact that the Dominion Government and the Halifax Harbor Commissions have recently discussed the matter is regarded as a favorable sign, though it is not expected that negotiations will be concluded until after the Federal authorities have decided upon what part or parts of the Gibb report will be implemented.

Jamaica Public Service Earnings Record Advance

From Our Own Correspondent

MONTREAL.—Surplus earnings of Jamaica Public Service Ltd. continue to run ahead of last year. Returns for May show gross income of $65,519 compared with $61,265 for the same month a year ago. After providing for operating expenses, interest and amortization, the company had a balance of $16,308, or $3,793 more than a year ago.

For the twelve months ended May, 1933, gross income of Jamaica Public Service totalled $703,816. After deduction of operating expenses and taxes, there remained $330,766 to take care of interest and amortization charges totalling $111,599, leaving a balance of $219,167. During the preceding twelve months period gross earnings amounted to $800,558. Earnings available for interest and amortization amounted to $320,891 and after taking care of these charges there remained a balance of $208,474.

International Paper Co. Increase Wage Schedule

From Our Own Correspondent

MONTREAL.—Following upon the submission of a newsprint code to the Federal authorities at Washington, International Paper Co., announced a general increase in wages and salaries to employees. This ruling applies to Canadian International Paper, a subsidiary, which operates large mills at Gatineau, Three Rivers, Dalhousie and Cornerbrook, Nfld., and carries on extensive woods operations in Quebec and New Brunswick.

The published announcement issued from the head office in New York indicates the aggregate amount involved in the increased wages, which will help to offset previous reductions, would aggregate $2,000,000, a substantial proportion of which would apply to employees in Canada.

Coast Fishing Promising

The fishing industry is now in full swing and fishing interests report that the Fraser River promises to produce quite satisfactorily. Sockeye fishing is said to be better than in any year since 1929. Pilchard fishing and reduction on the west coast of Vancouver Island have started, and eight reduction plants are expected to be in operation there this summer.

For conservative investors we suggest

Dominion of Canada
4½% Conversion Loan Bonds
Due November 1st, 1959
(Ex talons)

Price: 100 and interest, yielding 4.50%

Orders may be telephoned or telegraphed at our expense.

Wood, Gundy & Company Limited
Telephone ELgin 4321 — 36 King St. West Toronto

Asbestos Corp. Production on Lower Scale This Year

From Our Own Correspondent

MONTREAL.—Asbestos Corp. of Canada has not been able to improve its operations this year, judging by the returns on production compiled by the Dominion Bureau of Statistics. For the first four months of 1933 Canada produced 25,056 tons of asbestos compared with 36,967 tons in the same period last year. It is interesting to note that production this year is approximately one third of that reported in 1930.

Some improvement is noted in the export market. During April Canadian producers shipped 8,168 tons, compared with 5,455 tons in March and 9,561 tons in April, 1932. Over half of the exports in April went to the United States.

Public Utility Earnings

Jamaica Public Service & Subsid. Companies Condensed Monthly Report

Month of May	1933 $	1932 $
Gross earnings	65,519	61,265
Oper. exps. & taxes	39,915	39,423
Net revenue	25,604	21,842
Int. & amort.	9,296	9,327
Balance	16,308	12,515
12 Mos. end. May 31		
Gross earnings	793,816	800,558
Oper. exps. & taxes	463,050	483,579
Net revenue	330,766	316,979
Inc other sources†	......	3,911
Balance	330,766	320,891
Int. & amort.	111,599	112,417
Balance	219,167	208,474

Condensed Surplus Statement

	1933	1932
Prior earned surplus ..	246,102	187,108
Balance as above	219,167	208,475
	465,269	395,583
Retirement reserve§ ...	90,000	90,000
Balance	375,269	305,583
Net direct charges	28,435	‡41,560
Balance	346,834	347,102
Dividends:		
J. P. S. Co., Ltd.: Preference	38,500	38,500
Preference "B"	17,500	17,500
J. P. S., Ltd.: Common	45,000	45,000
Earned surplus	245,834	246,102

‡Credit.
†Interest on funds for construction purposes.
§Amount set aside by directors during the twelve months period. During the 9½ years under Stone & Webster supervision, the company has expended for maintenance, which is included in operating expenses, a total of 10.335 per cent of the entire gross earnings over this period.

Brazilian Traction

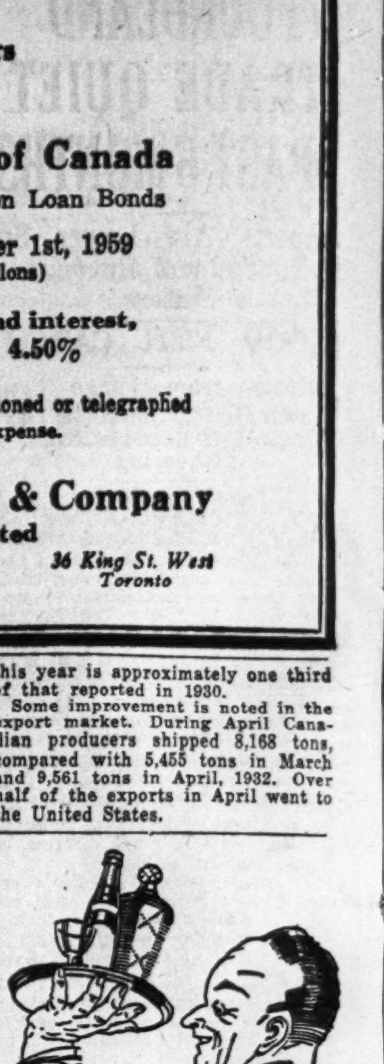
June	1933 $	1932 $	Decrease $
Gross earn.	2,415,399	2,719,797	304,398
Oper. exp.	1,044,973	1,071,311	26,338
Net earn.	1,370,426	1,648,486	278,060
Aggreg. gross fr. Jan. 1	13,890,321	15,423,758	1,533,437
Aggreg. net fr. Jan. 1	7,537,550	8,925,646	1,388,096

Barcelona Traction

June	1933 Pesetas	1932 Pesetas	Increase Pesetas
Gross earn.	8,624,177	8,439,340	184,837
Oper. exp.	2,929,909	2,834,906	95,003
Net earn.	5,694,268	5,604,434	89,834
Aggreg. gross fr. Jan. 1	57,147,715	56,262,766	884,949
Aggreg. net fr. Jan. 1	38,167,326	37,907,436	259,890

WINNIPEG ELECTRIC CO.

June	1933	1932
Gross Income	$ 395,896	$ 429,018
Oper. Expense	293,180	314,492
Net Income	102,676	114,526
Six Months		
Gross Income	$2,677,413	$2,923,251
Oper. Expense	1,866,986	2,014,395
Net Income	810,427	908,856



DRINK to your own HEALTH

Kuntz's Lime Rickey is now reinforced by addition of extra Vitamin C in concentrated form.

It's as delicious as ever. And now its more healthful and invigorating than ever.

Vitamin C is the basic health principal of fresh aciduous fruits. You get an extra measure of Vitamin C in Kuntz's Lime Rickey—a delightful thirst-quenching combination of sun-ripened limes and lemons, sweetened slightly with pure cane sugar diluted with filtered water and carbonated.

Note—For mixing with what is called a . . . well, a mixed drink, there is absolutely nothing just like it.

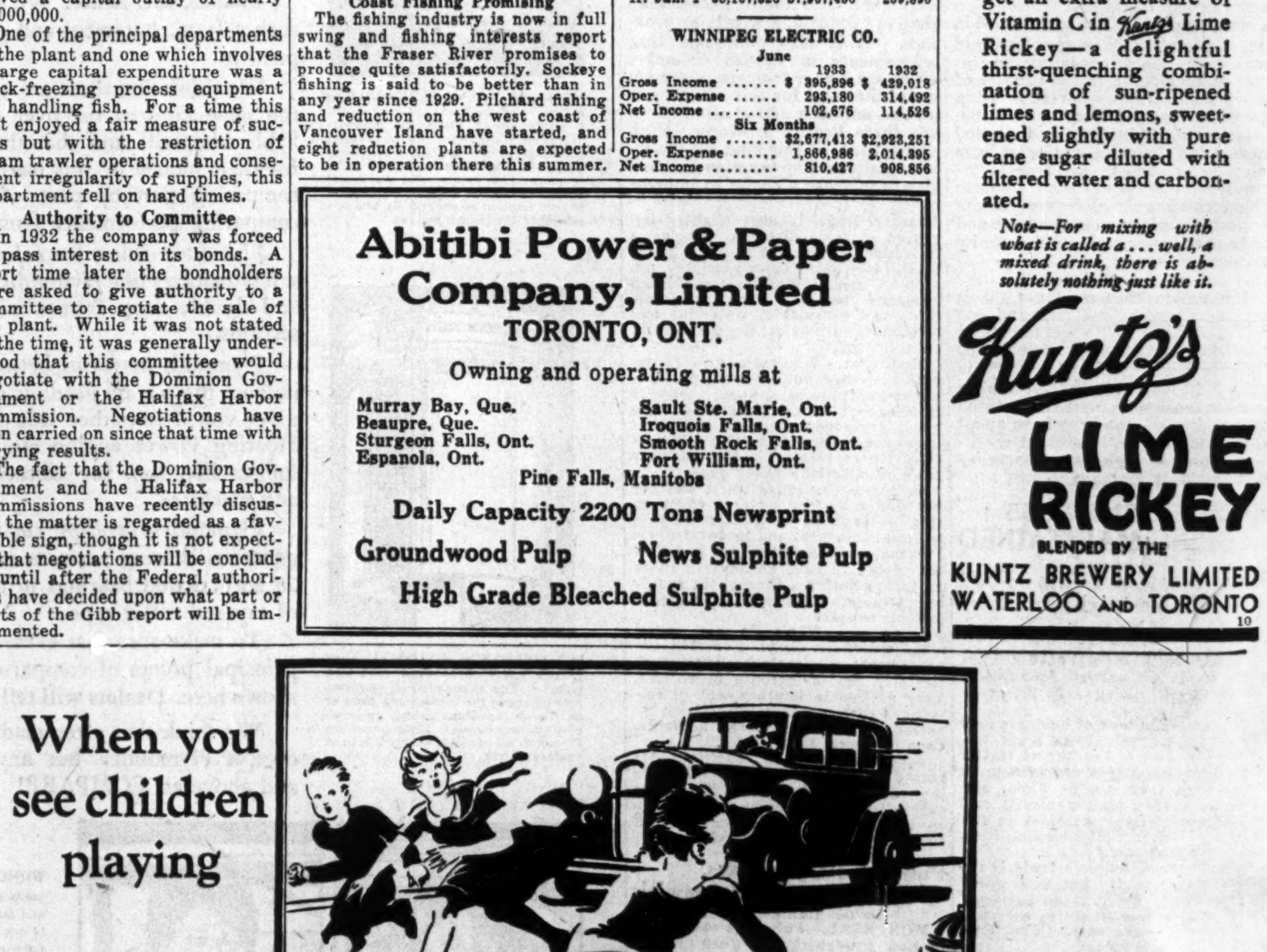
Kuntz's LIME RICKEY
BLENDED BY THE KUNTZ BREWERY LIMITED WATERLOO AND TORONTO

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. — Sault Ste. Marie, Ont.
Beaupre, Que. — Iroquois Falls, Ont.
Sturgeon Falls, Ont. — Smooth Rock Falls, Ont.
Espanola, Ont. — Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Government, Municipal, Public Utility and Industrial Bonds

List of current offerings furnished on request

NESBITT, THOMSON and Company Limited
355 St. James Street, Montreal
Branches in all Principal cities of Canada

When you see children playing

DO YOU ALWAYS SLOW DOWN?
—REMEMBER
95 children were killed and 1807 were injured in motor vehicle accidents in Ontario in 1932
MOTOR VEHICLES BRANCH
ONTARIO DEPARTMENT OF HIGHWAYS
Leopold Macaulay, Minister

News of Investment Markets

SLIGHT DECLINE HIGH GRADE LIENS FOR LAST WEEK

Corporation Bonds Slightly Weaker With Decline of Stocks

High grade Dominion and provincial bonds reacted slightly from the highs of their recent advance during the week ended July 25. Corporation bonds weakened slightly with stocks.

On July 17 a 4.64 per cent yield was recorded by The Financial Post's average based on seven provincial and Dominion securities. By July 25 this yield had risen to 4.474 per cent with the decline of prices.

The low yield established July 17 on the latest advance was within one point of the low average for the year of 4.463. This figure was recorded on June 2 and again on June 22 Last week's small reaction is attributed in part to the weakening of sterling exchange, which, however, is considered still favorable for British investment in Canada, being above par. Sterling dropped 10 cents in Canada during the week.

Trend of the market for Canadian gilt-edged bonds is shown below:

Average Yield on Seven High-Grade Canadian Government Bonds

	%		%
July 25	4.474	July 19	4.466
July 24	4.477	July 18	4.469
July 22	4.479	July 17	4.464
July 21	4.479	July 3	4.509
July 20	4.466	June 1	4.467

The decline in corporation issues was not large, in comparison with their substantial gains in the last few months. Most of the declines were limited to a point or two in the bid prices. The drop was sympathetic with the decline of the stock market, but losses were less in most cases than those for junior securities.

Changes in a group of active corporation securities are shown below:

Approximate Bid Prices for Representative Canadian Corporation Bonds

	July 25	July 18	Change
Abitibi 5's '53	28½	31½	—3
Alta. P. Grain 6's '46	84	85	—1
B. C. Power 5½'s '60	93½	94½	—1
C. P. R. 6's '42	111½	112	— ½
Gatineau 5's '56	82	83½	—1½
Massey-H. 5's '47 ...	70	71½	—1½
McColl-Fron. 6's '49	94	94½	— ½
Price Bros. 6's '43 ..	57	58	—1
Simpson's 6's '49 ...	78	80	—2

BOARD IS SILENT ON OFFERS MADE FOR PRICE BROS.

Sweezey Group Still in the Ring — Aitken Resigns Position

From Our Own Correspondent

MONTREAL.—No announcement is forthcoming from the Bondholders Protective Committee of Price Bros. and Co. in respect to the offers which are understood to have been made for control of the property by at least two parties—one representing the Duke-Price Power interests and the other a syndicate headed by R. O. Sweezey. The personnel of the latter group has undergone a change in the past few weeks, but is now reported to have secured the necessary backing to carry through their plan of reorganization.

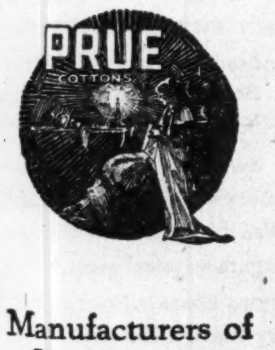
It is not expected that the committee will come to any hurried decision. Affairs of the company have shown an improvement lately, largely owing to the advance in the value of the pound sterling. A considerable proportion of the company's newsprint output is marketed with the Daily Express in London. Lumber sales in the English market also are reported to be on a somewhat better basis. Operations are being conducted through the liquidator, Hon. Gordon Scott. A. A. Aitken, a brother of Lord Beaverbrook who is head of the Daily Express, has resigned his position as president of the company.

Market interest in Price Bros.' bonds has been on a broader scale in the past few weeks. The opinion exists that the bondholders will come out of the reorganization in a satisfactory manner.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Steel of Can.	‡6%	1940	Aug. 1	...
Calgary Brewing .	§5%	1942	Nov. 1	105
Dominion Coal ..	*5%	1940	Aug. 1	105

Purchase of bonds for sinking fund: ‡$370,056; §$10,900; *In part for sink. fund.



Manufacturers of INDUSTRIAL and HOUSEHOLD Cottons in Canada for over TWENTY-FIVE YEARS

DOMINION TEXTILE Company Limited

MONTREAL TORONTO WINNIPEG VANCOUVER

Quebec Markets $10,350,000 Issue At Cost of 4.50%

Province of Quebec last week sold $10,350,000 of 4¼ per cent, 25-year bonds to a large syndicate at 96.31, a cost basis to the province of slightly over 4½ per cent. The syndicate disposed of the whole issue to dealers and institutions within 24 hours of the offering. Dealers reported an active demand for the bonds which were sold to investors at 97¾ to yield 4.40 per cent.

The province asked for bids on both 4¼ and 4½ per cent 25-year bonds. Tenders were also asked for on two-year bonds. Banks submitted an undisclosed bid for the latter, but only the one bid was submitted on the long term issues.

The syndicate which purchased the bonds consisted of: Bank of Montreal, Banque Canadienne Nationale, The Royal Bank of Canada, The Canadian Bank of Commerce, The Bank of Nova Scotia, A. E. Ames & Co., Dominion Securities Corp., Wood, Gundy & Co., Royal Securities Corp., Hanson Bros., McTagart, Hannaford, Birks & Gordon, E. Savard Ltée, McLeod, Young, Weir & Co., Mead & Co., Kerrigan McTier & Co., Fry Mills Spence & Co., Harrison & Co., Rene T. Leclerc Ltée, Bell, Gouinlock & Co. and Collier Norris & Henderson.

Victoria's Tax Collections 80% of Levy During 1932

Tax collections of the city of Victoria in the 1932 fiscal year amounted to 82 per cent of the year's tax levy, which places it high in the comparison of Canadian cities. Recently the Citizens' Research Institute issued a bulletin from which figures were used in The Financial Post, showing that Victoria had collected only 72.3 per cent of the 1932 tax levy. This was an error due to a mistake in the city's return to the institute.

The actual tax levy for 1932 in Victoria was $1,973,404, of which $1,618,850, or almost exactly 80 per cent, was collected within 1932. D. A. MacDonald, city comptroller of Victoria, advises The Financial Post that the city may be in the market with a small issue of bonds later this year.

List David et Frere

From Our Own Correspondent

MONTREAL.—Montreal Curb Market announce the listing of 23,000 shares of Class A stock of no par value of David and Frere Ltd.

I. P. AND P. TRUST DEFERS INTEREST ON SENIOR ISSUE

Directors Say Income Not Sufficient to Meet Charges

From Our Own Correspondent

MONTREAL.—Following a meeting of the directors of Canadian Power and Paper Investments Ltd. it was announced that a decision had been reached to defer the six months interest due and payable on August 1 on the company's 5 per cent debentures, of which there are $2,400,000 outstanding. The reason given for this action was that revenues received by the company from its investments were insufficient to take care of the charge.

While Canadian Power and Paper came into being in 1920, it did not become of public interest until 1929 when $2,500,000 of preferred shares and a similar amount of debentures were offered to the public by Nesbitt, Thomson and Co. At one time the company had a large proportion of its funds in pulp and paper securities. This policy was changed several years back to include power, public utility and other classes of securities. No details have been published by the company as to its holdings.

Values Shrink Sharply

In the last three years the value of the company investments and earning power have been adversely affected. In 1929 there was an equity of $2,588 back of each $1,000 debentures. At the end of 1932 the equity had shrunk to $710, while the equity back of the preferred and common stocks had been wiped out. This was after taking into consideration bank loans of $1,193,790 outstanding at the end of 1932.

Until the end of 1931 the company had been able to report bond interest fully covered after expenses. In 1932 debenture interest was earned only 0.70 times.

May Work Out Plan

The secretary of the company has issued a statement which, among other things, says:

"The directors are exploring every available means of improving the company's financial position, including, when market conditions warrant, the sale of securities with a view to reducing the company's bank loan.

"Steps are being taken to endeavor to formulate a plan to work the company out of its present difficulties, details of which will be communicated to you."

Investment Notes

Oil Stocks

INCREASE in oil prices promises to be a world-wide affair. British experts prophesy that the Mid-Continent crude oil prices in the United States will come to an ultimate level of $1 per barrel and they anticipate an advance in petrol prices in the United Kingdom of at least one penny per gallon. That will bring higher prices in Canada inevitably.

* * *

Standard Steel

STANDARD STEEL stock has been quite active in the market recently. The Financial Post understands that a pool has been operated in this stock and in line with its activities all sorts of rumors have been running around the streets as to possibilities and prospects of the company. Some of these rumors have been good and some bad.

So far as The Financial Post can find out, present business of the company is nothing for the market to get excited about. The company, however, has a good liquid position, has improved plant continuously and consistently during the depression period and is ready to take advantage of any new business that offers. For a small company like this a few orders would be enough to make it very active. With a pool operating, all calculations as to prices of the stock are mere guesswork. Those close to the company, but not connected with the pool are inclined to think that the long view prospects of the company are good, but they do not see anything new to get excited about.

* * *

Rubber Co. Stocks

HIGHER prices of raw rubber, which have made the tire industry of the United States increase its tire prices and are making the Canadian industry give concentrated attention to the same problem, are likely to continue unless Holland goes off gold. In that event, it is feared that a considerable stimulus would be given to rubber production in the Dutch East Indies, where the guilder price would improve by about 30 per cent in comparison with current parity. This would be a bear point before the rubber industry.

It will be remembered that when England was trying to control the marketing of rubber under the Stevenson plan, the Dutch increased their rubber estates materially with the help of the high price and refused to join the English in the restriction. Apparently they have been unable to come together since then, although recent conferences in London were apparently fruitful. There are in the Dutch East Indies still 340 estates which have entirely ceased tapping, and a further 139 estates have partially suspended production. About 18.7 per cent of the total capital area is said to be out of operation, but if Holland went off gold that might change quickly.

* * *

Loblaw Groceterias

SINCE the annual meeting of Loblaw Groceterias Ltd. held on July 4 both class A and class B stock have touched levels not exceeded since 1929 when the present shares were issued. Even despite the sharp decline of the week ended July 22 these stocks have held at levels not touched in the last three years. Volume of sales while higher than usual was not excessive.

At the annual meeting it was indicated that the company might branch out into some of the smaller centres, not hitherto touched, with a smaller type of store. The present type of Loblaw store with a large and diversified inventory has been most successful in centres of fairly dense population. Since the 107 stores operated by the company in Ontario are scattered from Ottawa on the east to Walkerville on the west and Sudbury on the north to St. Catharines on the south it should be possible to open small but profitable outlets at many intermediate points. While it is hardly likely that mere announcement of this policy would cause the class A stock to appreciate from 13½ to 21 in the course of ten days it is notable that the stock withstood subsequent decline in the market remarkably well.

* * *

National Grocers

INITIAL sale of National Grocers Co. preferred shares was transacted on the Toronto Curb on July 21 with 10 shares changing hands at $100 per share. This preferred stock, formerly known as "second preferred" stock was listed on July 13. Prior to 1931 there was outstanding an issue of 8 per cent first preference stock which was finally redeemed in February of that year giving full preference to the present 7 per cent preferred stock. In August, 1932, the company retired an issue of $1,086,500 6½ per cent notes as a result of increased banking accommodation and shareholders granted authority for the issue of up to $1,500,000 of first mortgage bonds to fund bank loans. No public offering of these bonds has been made as yet.

Fiscal year of the company ended June 30 and the annual report that will appear during August or September is expected to show earnings maintained at the level of the previous year when earnings amounted to $9.08 per share on the 29,523 shares of preferred stock outstanding. Improvement of commodity prices in the second quarter of the current calendar year can be expected to have strengthened the company's inventory position.

* * *

Woollen Industry Busy

CANADIAN industry stands to benefit to some extent by the high exchange value of the pound sterling although there is the compensating feature of higher raw material costs to consider. Britain's market for manufactured materials in Canada will undoubtedly be reduced if the present exchange position is maintained, a representative of the Canadian textile industry told The Financial Post.

The increase or decrease of goods from Britain through exchange fluctuations does not particularly trouble the Canadian industry, however, he said, so long as present tariff arrangements are in force. Textile manufacturers, however, will have their costs increased to some extent although the cotton and silk groups import largely through the United States.

Textile manufacturers are too busy to do much more than worry about how they are going to fill orders which they have received, The Financial Post was told. Many mills are on a 24-hour schedule already and demand from the Prairie Provinces is just beginning to make itself felt. Retailers in that district, who have carried the lowest possible inventories during the past two lean years are now filling up their shelves; socks, underwear and knit goods of all kinds being in demand. No competition is feared in this type of business at any time, it was explained. Among the companies that should benefit by improved conditions are Penmans Ltd., Dominion Woollens & Worsteds Ltd. and Regent Knitting Mills Ltd.

SASKATCHEWAN OFFERS 5% ISSUE AT LOW PRICE

Yield 5.8% — Price 1½ Points Lower Than Bid for Similar Bonds

Province of Saskatchewan is offering $3,500,000 of five per cent, 25-year bonds at 89½ through a comprehensive syndicate headed by Dominion Securities Corp., to yield 5.80 per cent. Manitoba and Alberta have also disposed of loans on the basis of the recent advance in prices for western provincial bonds on the open market.

The price of the Saskatchewan issue appears favorable to purchasers since the province's 5's of 1959 were 91 bid early this week. Thus the new issue is being offered at about 1½ points below the big price of similar securities. The recent striking success of a Manitoba issue of $3,000,000 5½'s, which were offered at about the current market price for similar bonds, observers believe, would indicate good sales for the Saskatchewan.

Strength in western provincial bonds has been due chiefly to improvement in the price of wheat it is thought. A smaller yield will cut the farmers' returns from the current crop, but the gain is in the Dominion's large holdings. It is expected that Ottawa's profits, if any, will find their way toward improving financial conditions in the West. Saskatchewan is reported to be enjoying relatively better crop conditions in some parts than Alberta and Manitoba.

Large Debtor

Saskatchewan is a large debtor to the Dominion Government on account of wheat pool operations and on other scores. The amount owing is approximately $28,000,000. In addition the province has had heavy budget deficits in the last two fiscal years.

Agriculture is the chief occupation in Saskatchewan, some 82 per cent of the population being rural. Comparison of some of the important financial factors in Saskatchewan's economy are given below:

Comparison of Important Financial Factors in Saskatchewan

	1932	1931
Prov. Deficit	$ 5,820,290	$ 3,856,667
Prov. Revenue ..	11,902,646	14,346,010
Prov. Expend. ...	17,722,936	18,202,677
Gross Agric. Rev.	109,649,000	106,652,000
Industrial Wages	*	7,546,703

* Not available.

The net debenture debt of the province, at Dec. 31 1932, was $72,585,195. To this must be added the present issue. The province also has made guarantees of $6,629,291 considered chiefly of debts of Saskatchewan Co-operative Creameries Ltd. and rural municipalities' relief expenditures.

Bond Tenders

Noon, Aug. 1, Port Arthur—$51,900, 5½ per cent 30-yr. installment; $86,115, 5½ per cent 15-installment for local improvement; $215,275, 5½ per cent 15-yr. sinking fund bonds.

4 p.m., July 31, Kitchener—$30,175, 5½ per cent 20-yr. installment debentures. L. H Dahmer.

Alberta Sells $1,000,000 Issue At Cost 5.66%

Province of Alberta this week sold $1,000,000 of four per cent, 20-year debentures to a syndicate composed of A. E. Ames & Co., Dominion Securities Corp., Wood, Gundy & Co., Imperial Bank of Canada and D. M. Duggan. Most of the issue will be sold privately, it is understood. The cost basis to the province was 5.66 per cent. The bonds are payable in Canadian funds only.

Proceeds of the issue will be used to defray unemployed relief expenditures in the province in lieu of adding to borrowings from the Dominion Government.

Some criticism has been voiced of Alberta's failure to present results of operations for the year ended March 31, 1933. A statement of cash receipts and payments for the nine months ended Dec. 31 indicates improvement over the operations of the previous year when a budget deficit of $5,153,051 was recorded. One Western newspaper points out that the deficit of $2,306,581 in 1931 was only announced in October of that year. In 1932 news of the larger deficit was only broken in November. When a substantial surplus was realized in 1929 the announcement was made in May.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Municipal—							
Drummondville, P.Q.	July 19 ...	Rene T. Leclerc	5½%	1 to 10 ser.	$78,000	98.31	....
Verdun Protestant Hospital	July	Hanson Bros.	4½%	20-yr.	185,000	*100	4.50%
Provincial—							
Quebec	July 19 ...	Bank of Montreal and syndicate	4¼%	25-yr.	10,350,000	96.31	4.49%
Alberta	July 25 ...	A. E. Ames, Dominion Securities, Wood, Gundy, Imperial Bank, D. M. Duggan	4%	20-yr.	1,000,000	....	5.66%
Saskatchewan	July 25 ...	Dominion Securities and syndicate	5%	1958	3,500,000	*89.50	5.80%

*Offering price.

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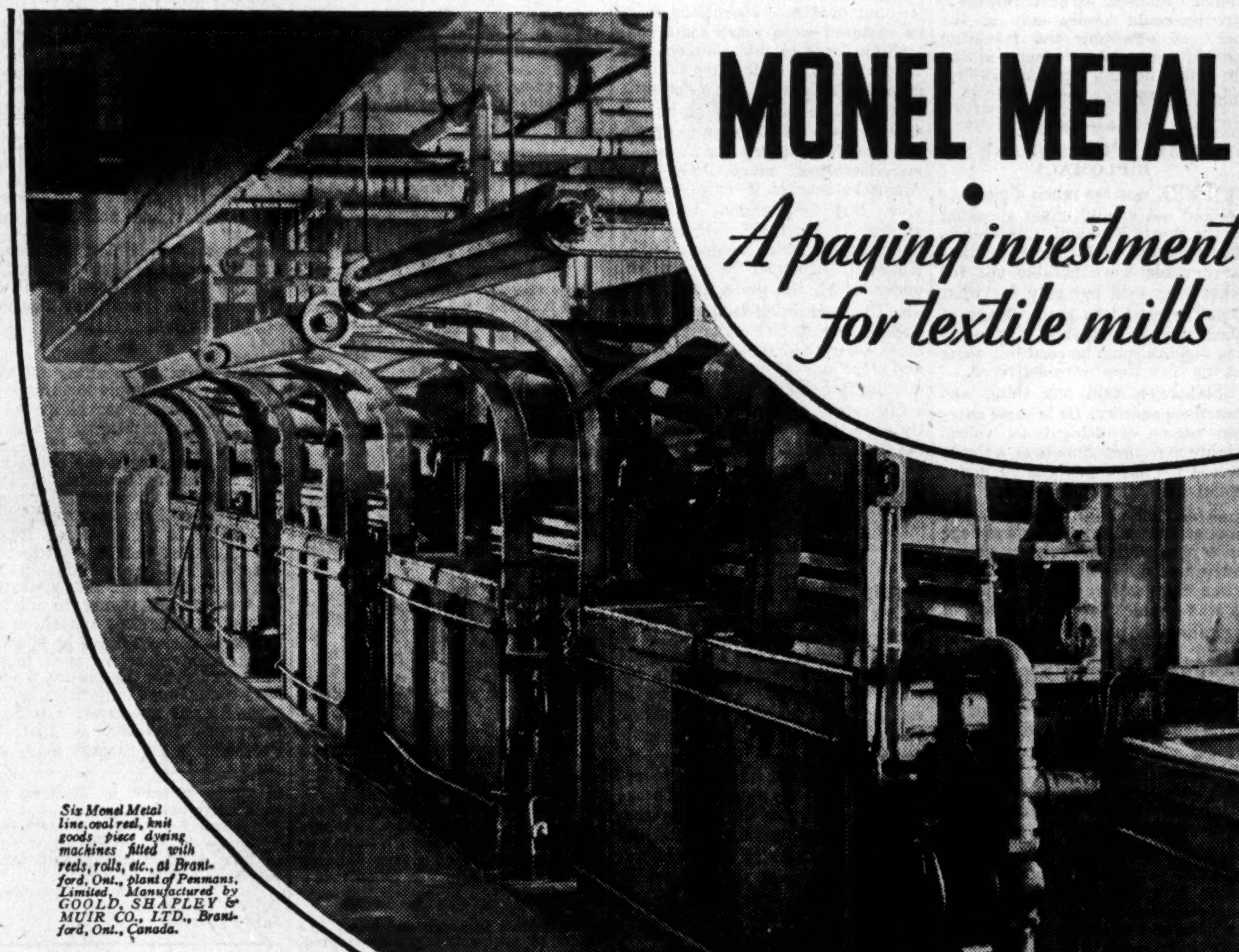
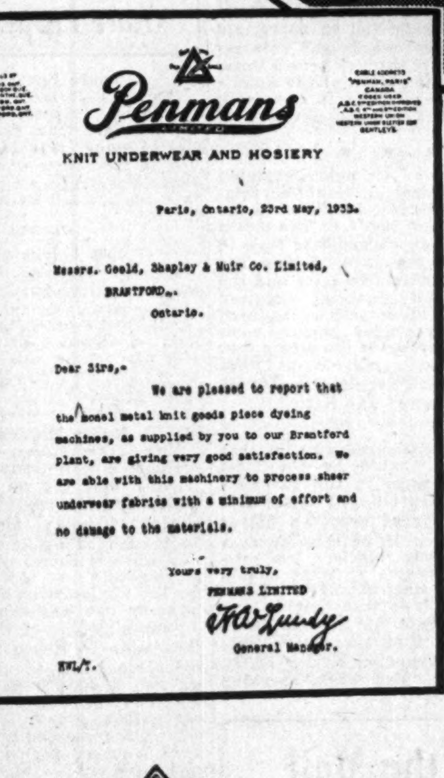
17



MONEL METAL

A paying investment for textile mills

Six Monel Metal line, oval reel, knit goods piece dyeing machines fitted with reels, rolls, etc., at Brantford, Ont., plant of Penmans, Limited. Manufactured by GOOLD, SHAPLEY & MUIR CO., LTD., Brantford, Ont., Canada.


Penmans Limited
KNIT UNDERWEAR AND HOSIERY

Paris, Ontario, 23rd May, 1933.

Messrs. Goold, Shapley & Muir Co. Limited,
BRANTFORD,
Ontario.

Dear Sirs,-

We are pleased to report that the Monel metal knit goods piece dyeing machines, as supplied by you to our Brantford plant, are giving very good satisfaction. We are able with this machinery to process sheer underwear fabrics with a minimum of effort and no damage to the materials.

Yours very truly,
PENMANS LIMITED
[signature]
General Manager.

HWL/T.

Penmans LIMITED

get complete satisfaction from Monel Metal dyeing machines

PENMANS, like most other textile and hosiery mills, have long since demonstrated the superiority of Monel Metal for dye house equipment. This remarkable alloy of Nickel and Copper is today the accepted material for dye tank linings and many other types of service in textile mills because of its unique combination of desirable properties which may be summarized as follows:—

1 Resistance to action of practically all chemicals used in dyeing cotton, silk and rayon.
2 Freedom from danger of rust and other metal stains.
3 Smooth, glass-like surface safeguards the most delicate fabrics against injury.
4 Monel Metal has no harmful effect on dye shades commonly used.
5 Permits different operations to be carried out in the same machine: Light colours can follow dark colours: Certain types of bleaching, degumming, washing and stripping can all be done in the same Monel Metal equipment.
6 Long life of Monel Metal linings proved by hundreds of installations in all types of dye house service.

Because of its many desirable properties Monel Metal is widely used in practically all branches of industry. We will gladly send you particulars regarding any type of service in which you may be interested.

INCO MONEL METAL

Monel Metal is a registered trade-mark owned by International Nickel and is applied to an alloy containing approximately two-thirds Nickel and one-third Copper. Since it is the product of Canadian mines, the greater use of this metal means a greater measure of prosperity for Canada.

Canadian Nickel Products Limited,
25 King Street West, Toronto.
Please send me your booklet, "Facts about Monel Metal".
Name.......................
Address.......................

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A PRODUCT OF CANADIAN MINES

CANADIAN NICKEL PRODUCTS LIMITED

25 KING STREET WEST, TORONTO

A Subsidiary of THE INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED

INCO NEWS

Interesting new uses of Nickel and Monel Metal in industry and homes

Monel Metal Welding Rods

G. D. Peters Company of Montreal is now supplying Monel Metal welding wire, produced especially for their own accounts.

Monel Metal Wire

The B. Greening Wire Company, Hamilton, Ontario, is drawing many sizes of Monel Metal wire in large quantities.

Monel Metal for Refrigeration Equipment

The Ruddy Manufacturing Company of Brantford continues to place considerable specifications for Monel Metal to be used in their refrigerator business. The Eureka Refrigerator Company of Owen Sound, and the Dominion Refrigerator Company of Toronto, are also users of Monel Metal in this field.

Monel Metal Machine Screw Parts

The Steel Company of Canada are now manufacturing Monel Metal Screws on a regular production basis.

Monel Metal Shafts for Yachts and Motor Boats

The use of Monel Metal shafts on yachts and motor boats has been steadily growing. Commander Stephen is specifying Monel shafts for the new "Commissioner Class" Government patrol boats. The design of these boats is extremely radical and is attracting world-wide attention.

Hospitals Use More Monel Metal

One of the leading hospitals in Quebec City recently added a number of Monel Metal utensils to their equipment, while a Montreal hospital ordered a considerable quantity of Monel Metal for table tops.

Ni-Resist for Blow-Pipes in Paper Mills

Ni-Resist has been successfully applied by Canada Iron Foundries Limited for Blow Pipes in several paper mills. In one mill the installation was so successful that a second line has been replaced with Ni-Resist.

Monel Metal Cotton Filter Tanks for Laundries

Several cotton filter tanks have been manufactured by C. A. Liffiton Co. for the Premier Laundry Equipment Company, who have installed these tanks in prominent laundries in Toronto, Montreal and Halifax.

INCO MONEL METAL QUALIFIED FABRICATOR

Only experienced fabricators of Monel Metal display this sign. It is your guide to quality in workmanship and material.

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TORONTO, JULY 29, 1933

INVESTMENT BANKERS IN DUAL CAPACITY

INVESTMENT bankers cannot serve two masters. Firms which have underwritten bonds, preferred and common stock in a company find themselves in an incompatible dual capacity when an organization gets into difficulties. Many underwriters are realizing this during the present difficult period. Others are not.

The difficult position in which some underwriters find themselves today is this: They have sold senior securities of a company which is in financial straits. They have also sold junior securities; preferred or common stock. If they are true to their clients, they must attempt to protect both mortgage bondholders and the stockholder-owners. Both classes of investors cannot be treated with impartiality in such cases. Moreover the underwriting organization often has a stake in the stock ownership of such companies. The purchasers of the mortgage bonds frequently suffer as a result.

Holders of mortgage bonds should be entitled to the ultimate rights of their security, foreclosure. To investment bankers who previously sold stock in now embarrassed companies, as well as bonds, this seems harsh. It wipes out the stockholders in some cases. But it is no more than was bargained for when the securities were underwritten. The existence of the mortgage was known to all parties. But the investment banker who has a personal interest in the company's shares, common or preferred, either in his own interests or those of some of his clients, cannot view the matter in this impartial way. He cannot effectively represent both his mortgagor-clients (stockholders) and his mortgagee-clients (bondholders) who have invested in the same company.

The lesson to be learned is that the investment banker should choose between underwriting senior or junior securities in a single corporation. In some cases, junior securities may be the logical medium. Underwriters who wish to build a conservative reputation, however, should stick to senior securities. Recent experience has shown it difficult, if not impossible, for investment bankers to be entirely impartial when they have attempted to run with the hare and hunt with the hounds.

FOREIGN LENDING AND THE INVESTOR

THE unpleasant experiences of investors in post-war international lending have naturally given rise to numerous suggestions for some measure of control of foreign loans in the future. It is generally admitted that the large-scale movements of capital from nation to nation in the post-war years up to 1928 warded off the inevitable peacetime depression for several years. Germany was enabled by loans from abroad to meet reparations payments. South American countries avoided bankruptcy through borrowing from inexperienced American investors. The rentier bourgeoisie of France were victimized by the country's banks to serve political ends of the state in the Eastern Europe. The general economic disequilibrium of the countries of the world was concealed for a long time as was the financial instability of many individual states. The investor in foreign securities, though he did not know it at the time, was donating his capital to keep the world from collapse. There had to be an end to such a process. Eventually the brute force of the economics of the situation was bound to triumph over financial operations because finance is the servant of economics and not the master. Many countries have defaulted; many investors have forsworn all foreign investing in the future. Now that foreign lending is necessary to recovery, little is being done.

How to start careful and necessary international lending again and at the same time to provide adequate protection for investors against a recurrence of the excesses and mistakes of the past is a problem of great importance to the world. The Economic Conference got no farther with the question than reading a report which suggested an international body of experts to pass upon the validity of all international loans.

The problem divides itself naturally into two parts; the immediate problem of finding the capital to start off insolvent nations afresh and the more remote and more important problem of controlling the flow of capital internationally in the future in order to avoid the painful consequences of bad lending, both upon investors and upon the economic structure of society.

The first problem will solve itself gradually as the economic skies brighten and as the conditions that have created financial insolvency in certain countries disappear. The second problem will remain.

The suggestion for an international body of experts to examine all foreign loans has much merit but it is obvious that it embraces many dangers. It would lull investors into a sense of security and it would create international political difficulties of great magnitude. Likewise there would be danger of undue pressure on Governments from international financial interests. In the long run the free flow of capital, which involves permitting investors to make mistakes until they learn better, is the most practicable policy.

Britain has been the world's most successful foreign lender and the serious mistakes her financiers have made have been more than offset by their glorious successes. The same cannot be said of the United States but it is not to be assumed that the American financial and investment public have learned nothing at all about foreign lending from the present world crisis.

It is a fairly safe forecast that no powerful body for the international control of foreign lending will be set up in the world. But if the countries could agree upon a code of ethics in regard to international finance, which different groups could ignore only at the peril of offending the investing public, some improvement in the direction of the flow of capital might be effected.

PLAIN SPEAKING AND DIPLOMACY

THERE was too much diplomacy and not enough plain speaking at the World Economic Conference. The speeches and statements that were made were notable not for what they said but only for what could be read into them. Many of them were so equivocal that nothing definite could be read into them at the time they were delivered.

Statesmen said one thing and practised another. Or in some cases the heads of delegations voiced highly moral sentiments as a cloak-screen for baser intrigue by junior members of their delegations.

It may be that behind closed doors some plain speaking was done once in a while between representatives of different countries. But when they got together in public it was usually for the purpose of beguiling the patient citizens of the world with equivocal promises, pious tommyrot and insincere protestations of good intentions.

More plain speaking was done by Litvinoff, of Russia, and Bennett, of Canada, than by the other 200 delegates put together. Mr. Bennett will not forgive us for bracketing him with the foreign minister of the communistic state but when Litvinoff said that the world's troubles were due to capitalism and when Mr. Bennett drily forecast that countries would continue to use tariffs for national purposes each was indulging in realistic plain speaking of his own views. There was not enough of that at the conference.

DUMPING GOODS BELOW COST

AT A recent gathering of business men of the Empire in London, England, interesting discussions took place on the subject of special tariff protection against "dumping" and against the importation of goods from countries with particularly low standards of living. British industrialists present led in the discussions. They occupied the difficult position of wishing to protest against the heavy sales of Japanese goods in the British market, made possible by the depreciation of the yen as well as by the exceedingly low wages paid in Japan, while at the same time reserving the right to criticize Canada for having imposed special exchange dumping duties against British goods because of the "depreciation" of the pound when Britain went off the gold standard.

The business men, who were gathering as a Congress of the Federation of Chambers of Commerce of the British Empire, were at first inclined to define dumping as "goods imported at a value lower than the home consumption value in the country of origin" but it was pointed out that Australian butter and British coal sell in foreign markets at prices below those at which they sell in the home market. Finally a compromise was reached when the following resolution was passed:

"This Federation is of the opinion that the governments of the various parts of the Empire should take powers, where these do not already exist, to protect national industries against imports of goods or services from other countries which, by reason of depreciated exchanges, bounties, subsidies, or other artificial circumstances, may be sold at prices detrimental to the industries of the country or other parts of the Empire."

Every once in a while Empire relations are disturbed by alleged dumping between Empire countries and by action taken to protect against that alleged dumping. Australia upset a trade treaty with Canada by bonussing the export of butter. Canada has annoyed British shipping companies by operating competitive government-owned shipping services at a loss on certain Empire routes. Britain went off the gold standard and immediately gave her manufacturers an exchange advantage in Canada which was slow to be compensated for by a rise in home costs.

Whenever any such circumstance arises it is difficult to deal with. Canada's exchange dumping duty against the British annoyed the United Kingdom manufacturers who declared that the new market price of the pound was its real value; that it was the old parity that was artificial and not the "depreciated" level. Happily this cause for bitter feeling between Canada and the Old Country has disappeared although there is no assurance that it has disappeared for good.

No exact definitions of dumping or of what is just in protecting against dumping are possible. But Empire countries at least should be able, by frequent conferences between their statesmen, to avoid the bitterness of feeling that is engendered by action hastily taken and insufficiently explained.

NEWSPRINT CODE

WITH the approval of the Code of Fair Competition for the American newsprint industry by the United States Government, Canadian manufacturers look forward to a return of sane marketing conditions. For several years this industry has been badgered by price cutting, secret rebates and other unsettling practices. The blame has been laid at the door of over-expansion, but most of the troubles can be traced directly to poor management. It is little wonder that the industry has not been able to solve its problems from within. Bankruptcies, reorganizations and other corporate troubles have descended upon the operators.

Despite the many grave problems which have confronted the manufacturers, it has long been the opinion that profitable operations could be restored were there some controlling force to maintain decency in competition. This force is to be seen in the Code. While a domestic measure, the American Code will exert a powerful influence on operations in this country for Canadian manufacturers must have the American market in order to survive. But they cannot have the market if by their actions they imperil the aims and objects of the National Industrial Recovery Bill under which the Code was drawn up. The restraining influence of the Code is expected to make the operators cease their unsound practices and place marketing on a basis permitting fair competition and in turn a fair return on capital investment. By agreeing to the American Code, the Canadian manufacturers can re-establish their business on a profitable scale and thereby justify the faith placed in Canada's largest manufacturing industry.

SHORTER HOURS

SHORTENING the weekly working hours to employ the largest number of persons, that is talked of so freely these days in academic and laboratory circles, might do for mass workers, where the work is routine like operating machines or sweeping the streets. In these occupations one person is as good as another. But it should not be overlooked that in the majority of occupations a degree of intelligence, education, training, experience and conscientious service is called for.

Putting on more workers would increase costs and hence selling prices to the public. For example: complaints are made of high cost of milk which dairies say is largely caused by excessive cost of distribution and breakages. Five or six wagons may be seen every morning serving the same block. More men put on would increase the cost.

EDITORIAL NOTES

A financial man says you don't have to be a statistician to speculate successfully in stocks, but you have to be a practical psychologist.

The night life of Paris has lost a good deal of its gaiety because of the high franc. This makes the foreign exchange muddle easier to understand.

Hitler's colleagues are likened to American gangsters. Racketeering in politics may be new in Europe, but it has been the thing in North America for some time.

A few months ago the world was looking to the Economic Conference to save all. On this continent the stock market is now favored to preserve us. Change of scene, change of doctors.

A mining journal says too little attention is paid to the importance of our mines in contrast to agriculture. But we can usually be sure that next year's sowings will bring crops out of the ground.

Professor Irving Fisher, Yale, thinks banks should be required to allocate their loaning funds among the various classes of loans, with a reserve requirement against each class adjusted as fast as any class is found to be over-extended, and thus keeping separate pools of credit.

Speaking at Chicago last week Dame Rachel Crowdy, C. B. E., of League of Nations staff, said: "On one occasion France and England were in complete accord on something which affected them mutually. But there were no words in the French language that expressed their viewpoint in the same way as in English, and so they had to change the terms of the agreement." Is this not characteristic of the way things are being done at the League?

POST-scripts

AN INTERESTING feature of the recent meeting in London of the Federation of Chambers of Commerce of the British Empire was the presentation to each delegate of a copy of the newly published "A Junior History of the British Empire Overseas." This volume was the result of discussions at previous conferences by Canadian delegates, particularly those from the Toronto Board of Trade, who felt that there was a lack of satisfactory text-books dealing with the history, geography and resources of the Empire. Following this discussion there was produced in 1927 an excellent book on "The British Empire since 1783." But this was not considered entirely suitable for younger children so in 1930 a further committee was appointed and, as a result of its labors, the junior history has now been produced. Published by Blackie & Sons, it can be sold in Great Britain at two shillings a copy although there are 288 pages, 50 illustrations and 21 new maps. The author is Prof. A. P. Newton, Rhodes professor of Imperial History in the University of London.

The little volume may convey to the immature mind a very queer picture of Canada. The subtitles of the only Canadian pictures are as follows:

"Canoe travel on the Canadian waterways."

"A log cabin in the Canadian forest during the great period of emigration in the 'seventies."

"The arrival of the first Canadian Pacific Railway train at Vancouver 1887."

However, the other Dominions fare no better and their pictorial presentation is equally ridiculous. There is no modern map of Canada.

Sayings of the Week

"Canada must, and I believe she will stop borrowing money abroad."—Agnes Macphail, M.P.

* * *

No one, looking at an economist, ever said, "There, but for the grace of God stands I."—Robert Boothby, M.P.

* * *

"What we English are so terribly tired of is this sitting and wishing that things would change. We are sick of inaction." — Margaret Bondfield, M.P.

* * *

"We shall be lucky if we do not live to see the statue of Charles the First removed by 'private enterprise' to make room for public lavatories." —Lady Oxford and Asquith.

* * *

"We shall never get parks and open spaces in this country properly organized until we are sensible enough to establish a Ministry of Joy and Pleasure." — George Lansbury, M.P.

* * *

"The importance of a friendly understanding between France and Germany is the key to future international relationships." — Arthur Henderson, President World Disarmament Conference.

* * *

"We haven't got a show window where goods are attractively displayed. Our only attractiveness is our good name and reputation for sound advice and integrity. If that is gone, our business is gone, however attractive our show window."—Otto Kahn, of Kuhn, Loeb Co., bankers.

* * *

"We need have no fear of the machine. It can eliminate drudgery, increase leisure, furnish sufficient products for every person in the world, and can be restricted so that its work may best meet human needs. Wrongly used, it can be a peril."—Dr. Lillian M. Gilbreth, mother of eleven children who has won distinction as an industrial engineer.

* * *

"It is time for each and every one of us to cast away self-destroying, nation-destroying efforts to get something for nothing and to appreciate that satisfying rewards and safe rewards come only through honest work. That must be the spirit of the American future." — Franklin D. Roosevelt, president, The United States of America.

* * *

"Manipulation of public opinion through the medium of public relations counsel is well developed in the public utilities of the U. S. The object of all this vast expenditure was to maintain for the favorite few the status quo of excessive rates and the opportunity for financial jugglery based on padded valuations, watered stocks, and pyramided holding companies, by asserting to the public that the utilities made no profits and that they were strictly regulated."—Ernest Gruening, editor of The Nation.

* * *

"It is my considered opinion that our churches should be the most beautiful buildings in the community. Often in travelling, I notice that in a community of beautiful homes that the church is of inferior construction. Surely this is a low estimate of the people of what should constitute the most important edifice in their life. It is true that we can worship anywhere, but why be satisfied with less than the best?'—Rev. Dr. Charles, Canadian Rector of St. Mark's Church, New York, speaking at Grimsby, Ont.

In the Mail

Sound Finance

Editor, The Financial Post,

I am a constant reader of your valuable paper and consider it one of the sanest commentaries on modern financial conditions. Your views on government finances interest me particularly, for when I exceed my budget or overdraw my account there is no one that I can tax to make up the deficit. Nor am I able to sell bonds to raise more money for more extravagance. When high priced and wasteful executives are being fired from business concerns at the present rate, it is rather amazing that the same type of men in elected positions of trust seem so blind to the handwriting on the wall.

Morley Pettit.

Georgetown, Ont.
July 10, 1933.

Radio Commission

Editor, The Financial Post,

You are certainly right, regarding the Radio Commission. The commission was not required on any occasion to go to such an expense and outlay in times of want and depression, except to supply friends and supporters with large salaries.

I have spoken to many people about this commission and only one person in 20 to 30 said he thought they would give better service.

If a vote was taken I am sure there would not be one in twenty in favor of the commission. People would vote to cancel it even now.

A Radio Owner.

Orillia, Ont.,
July 22, 1932.

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By M. M. WILNER

THE ENIGMA OF THE UNITED STATES

WASHINGTON, D.C. — Attempts to foresee what is going to happen in the United States and, through its attitude, to the business of other countries, need to consider that the policies of the Government today are subject to the same extraordinary reversals that have befallen the purposes of yesterday.

Nothing could have appeared more certain, judging from pre-election statements, than that the United States would maintain the gold standard, regardless of any changes in party power. It did not. Nothing was more positive regarding the farm-relief plan than that it was offered as a measure to meet emergency conditions. Its very terms call for the abandonment of its special taxes when fair agricultural prices have been restored, yet with wheat above a dollar a special tax is levied on consumers to pay a bounty. The Industrial-Control Act is limited positively by its terms to two years and may be terminated sooner by proclamation of the President, if he wishes; yet the business improvement which might have warranted the conclusion that the measure no longer is necessary appears only to have stimulated the efforts to organize under it. Both of these laws, by the way, authorize tariff increases in the face of the most positive declarations for lower tariffs.

In general it may be said that the amazing experiences of the economic conference at London illustrate very well the difficulty of judging what is going to be the ultimate course of the United States. There can be no possible dispute that the intention of the President less than a month before the conference met was to make stabilization of currency and freer trade relations its chief work. In his appeal to the world on May 16 for the maintenance of peace policies, for example, he declared:

"The conference must establish order in place of the present chaos by a stabilization of currencies, by freeing the flow of world trade and by international action to raise levels."

It seems incredible that the conference should be turned into a failure through the hostility of the United States toward any measures of stabilization.

* * *

THE point in recalling all this, however, is simply to enforce the reasoning that what happened to the intentions in May or earlier regarding currency and trade can happen as easily to the policies of July for paying bounties, organizing control of business and increasing wages and employment.

It would be unjust to Mr. Roosevelt to assume that in what he said before election and during the earlier weeks of his administration he was simply trying to mislead opinion and smother opposition until secret designs could be enacted. In the first place, no such tactics were needed, for the President could have commanded majorities in Congress for any measures. The fairer judgment, however, is that the President is an earnest man, who sincerely believes and intends to fulfill what he says when he says it, but he is not a man deeply grounded in any definite plans for business revival and he has the courage, applying a friendly and complimentary word, to hold himself above the mere dictates of consistency if these interfere with the essential objective at which he aims.

The very fact that business has improved tremendously has won a popular acclaim for the President, without much consideration for the correctness of the means employed. The credit is shared in much less degree by the group of young college professors who have become conspicuous figures in the President's entourage, because they professed to know better than anybody else what to do. Their influence will depend much on the future course of business. If what is happening should prove to be the "speculative wave," the "immediate and false prosperity" leading merely to "another tailspin," against which the President gave warning in his speech of May 8, Mr. Roosevelt may be expected to show as little tenacity for the ideas of the brain trust as he displayed toward the sounder plans from which they have turned him. There is no reason for anxiety over possible obstinacy on his part in making changes if developments are unfavorable, though the ability to detect in ample time the dangerous qualities of an unstable boom is another matter.

* * *

MEANWHILE, perhaps the most interesting feature of the situation is the gradual entrance of the judicial branch of the government into the work of giving laws their permanent character. The repudiation of gold contracts has not been tested, though the measure was pronounced clearly unconstitutional by good lawyers while it was pending. There is undisguised nervousness in bureaucratic circles over the Industrial Control Act, evidenced by arguments of protest against bringing it into court. For that reason there may be hesitation about applying its penalties. Legal actions are not started till somebody is confronted with a loss. The professors' tax of the farm-relief law has been questioned in debate as unconstitutional under the general-welfare clause, but a test is most likely to come through attempts to enforce anti-trust laws against price-raisers.

A very important decision, however, has been rendered by the Court of Appeals of the State of New York in sustaining the constitutionality of a law permitting a State board to fix prices to be paid to producers of milk and charged to consumers. While this has no application outside the single State, it lays down interpretations of the United States Constitution which undoubtedly will have great weight with the Supreme Court at Washington. Thus it appears that a doctrine of legal price-fixing is in a fair way to establishment through the judicial branch which may open another gateway toward the general objective if the acts now on trial fail to produce healthful results.

Other People's Views

Chance For The Cynic

Simcoe Reformer—Cynics can hold a field day in these benighted times when Governments spend vast quantities of money teaching their farmers how to grow more wheat per acre and send delegates to a conference urging that the amount of wheat grown be limited.

New Maxim on News

Simcoe Reformer—A sad commentary on matters financial is contained in the announcement that the University of Toronto's securities are intact. It almost calls for the coining of a new journalistic maxim: "When an institution's securities are intact, that's news."

Heavy Burden Lifted

New York Times.—As a national problem a man thrown out of work is only half the mischief done. It means one less worker to carry the burden of one more dependent. Fortunately, the rule works the other way when it comes to increased employment. A man in a new job means for the whole nation one more worker to carry one less dependent.

Supposing that at the depth of the depression in March we had 12,000,000 persons idle, it would mean that we had 36,000,000 persons at work. We had three people with jobs to carry one without a job. If today employment has increased by 3,500,000 jobs, it means very nearly 40,000,000 persons at work, against 8,500,000 persons still idle. We have almost five workers to carry one idle person. The social burden is almost cut in two.

The Orphaned Conference

New York Times.—It would require the talents of Mr. Chadband adequately to lament the unfortunate situation in which the London Conference now finds itself. Soon it is to take a recess which is generally expected to be an adjournment. Fathered by Ramsay MacDonald, and certainly for a month or so mothered and nursed by President Roosevelt, the Conference has apparently lost both parents. First the mother failed it, and when the child grew meagre and uninteresting its father lost interest also. Dispatches from London yesterday state that Mr. MacDonald does not seem to care if the Conference should reconvene elsewhere. It is is also generally agreed that if it meets anywhere it should be composed of far fewer delegates than the scores who have been milling uncertainly about in the new Geological Museum.

Among the places for reconvening the Conference, Washington is most frequently mentioned. But there is no reason to believe that the President wants to give the disinherited a home. There are indications that he and his advisers intend to be certain that the assemblage should meet again at least as far away from Washington as London. An international conference is the responsibility of the Government of the country in which it is convened. Its failures are the Government's failures. Mr. MacDonald has already begun to hear taunts from his political rivals about the London fiasco, and he will hear more. Mr. Roosevelt is an acute politician, and did not require the object lesson of the Conference to persuade him not to give such affairs house-room.

"Stop Me If You Have Heard This One"

"There is direct and indirect taxation. Give me an example of indirect taxation."
"The dog tax, sir."
"How is that?"
"The dog does not have to pay it."

As Others See Us

Out of Control

Elmira Signet.—"Canada's Dollar Out of Control," says a headline in The Financial Post. It's been that way for years and years with most of us.

Lord MacMillan

Regina Star.—According to a despatch from Toronto recently, the editor of The Financial Post has wired to his paper that "on good authority I learn that Lord MacMillan has accepted the chairmanship of the Canadian Royal Commission on banking created at the last session of Federal Parliament." There is every possibility that the report is accurate. It has been known for some time that Prime Minister Bennett has been anxious to secure his services as head of the commission and the presence of the Prime Minister in England has no doubt enabled him to induce Lord MacMillan to undertake the task.

It will be gratifying news that so eminent a British financier will conduct this enquiry into Canada's banks and banking system. The MacMillan report upon the financial institutions of the Old Country and their relations to its commerce is regarded as one of the most important documents that have dealt with the banking question for many years, and it has circulated throughout the world and been widely studied.

To have Lord MacMillan as head of the Canadian Commission will ensure an expert and impartial investigation into the banks and banking system of the Dominion. It is not that it is believed there is anything inherently wrong with either, as was the case in the United States where the whole system so recently came to a complete collapse. But there has been considerable criticism of our banks and their methods among certain sections of the people of Canada during the past year or so, and it will be well if a thorough investigation is made, especially if it be under such able leadership as that of Lord MacMillan.

Nothing has occurred of late to cause any decrease in the confidence of Canadians in the banks of the country, but it will be just as well that a thorough investigation should be made to prove the truth or falsity of the complaints that have been hurled against these institutions. With Lord MacMillan at its head there need be no doubt as to the impartial and meticulous care with which the enquiry will be made.

Conference Reports Praised

Alliston Herald.—The most informative and clearest reports of the World Economic Conference proceedings The Herald has read are the despatches of the editor of The Financial Post who is an observer on the spot. The last issue of The Post upheld the attitude of President Roosevelt in the staibilzation of currency issue. The United States leader stated that sound government financing was more important in clearing up the present economic chaos than the pegging of currencies. This has been the cardinal principal of Post articles and editorials for years and in the light of happenings in the last three or four years is unquestionably sound. This paper also presented some interesting information regarding the positions of Britain and France in the currency issue. It seems that France is afraid of another period of uncontrolled inflation in that country such as she experienced after the war and which caused enormous losses the memories of which are too fresh in the minds of Frenchmen to permit them to even consider going off the gold standard. But, it is stated by The Post writer, it is almost inevitable that ultimately France will be compelled to abandon gold for a time. Canadian delegates at the Conference are worried, according to this writer, over the possibility of the Canadian dollar advancing above par in New York which would adversely affect business with the United States. To one superficially informed in economic matters the problems of the delegates at the Conference in London are well nigh inscrutable.

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SPECIAL SUMMER ROUND TRIP RAIL FARES

The Week in Business

Farmer Income Will Not Be High

THERE has been much rejoicing over the higher price of wheat at Winnipeg and predictions freely made that current prices will enable the farmer to make great strides in his return to prosperity. According to The Financial Post, however, should present predictions of a 300,000,000 bushel crop eventuate, it will take an average price of around 77 cents at Winnipeg to enable Prairie farmers to obtain even as much income as was received in the current crop year.

The average return to farmers per bushel of wheat in the current crop year has been approximately 31 cents—indicating an average price of 56 cents in Winnipeg, as 25 cents is usually considered an average freight rate for the Prairies, as a whole. Owing to the large crop of 1932, however, returns to farmers have totalled $113,387,000 in the first eleven months of 1932-33, a greater amount than in the same period of the previous crop year. Assuming total returns of $118,000,000 for the complete crop year and 230,000,000 bushels of a three hundred bushel crop delivered in 1933-34, it will require an average price of 77 cents at Winnipeg to equal the 1932-33 returns.

* * *

Iron and Steel Join Business Boom

A MILESTONE on the road toward a general quickening of business activity was passed in the last week in June when pig iron manufacturing operations were resumed in Canada after a lapse since February 14. Two blast furnaces were blown in, one in Port Colborne with a daily capacity of 350 tons and one in Sydney, N.S., with a daily capacity of 550 tons. While the resumption of operations at these plants does not indicate that any large orders have been received, stocks have been so depleted during the shut-down by the filling of small orders that this step has been thought necessary.

Failure of the heavy iron and steel industries to join in the generally higher level of manufacturing operations has been one of the pessimistic factors of recent months. This resumption of pig iron operations, even though mainly for the purpose of replenishing stocks, combined with a high level of steel ingot production in June, is therefore extremely welcome at this time. With demand light, prices are naturally soft, reaching a new low of the past decade in June but it is likely that any increase in demand will cause metal prices to join the upward trend so evident in most other commodities.

* * *

Indices Pass Levels of Previous Year

WHILE improvement of business indices from month to month indicates increased activity, it is not until current figures begin to rise above figures for the same period of the previous year that definite evidence of business improvement becomes accepted. Two important and accurate business indices, car loadings and electric power output, have recently made the necessary increase from the low levels of the early months of this year to accomplish this latter condition.

Car loadings figures for the past two weeks have been greater than in the corresponding weeks of 1932, the chief gains over that period being in heavy freight. For example, coal, coke, lumber and pulp and paper loadings are considerably higher than a year ago while miscellaneous freight and less than carload lots of merchandise are below last year's figures. After a slump in April, electric power output gained in May and June against the usual seasonal trend and the June figure is greater than in June, 1932. Analysis by power used in economic areas shows that the Maritimes has made the major portion of the advance.

Business Conditions in Canada

GREATER ACTIVITY IN CONSTRUCTION BUT VOLUME LOW

June Permits Total Above Previous Month — Usual Trend Down

June total for building permits issued in Canada is certainly not impressive, the figure of $3,536,000 being nearly 30 per cent less than in the same month a year ago. However, a good increase from the previous month was shown, the actual percentage being 76.5. As a general rule the June figure is slightly less than May so that what actvity there is, is being carried later into the summer than usual.

Some 50 cities furnished detailed statements showing that they had issued over 200 permits for dwellings valued at about $1,200,000 and 1,700 permits for other buildings estimated to cost approximately $2,300,000. During May, authority was given for the erection of 300 dwellings at a cost of $700,000 and some 2,100 other buildings valued at approximately $1,100,000.

Permits issued in June amounted to more than one third of the total for the first six months of 1933, the figure for that period being only $10,107,289. In previous years the June total has generally been less than one-fifth of the six months' total.

Six Months' Figures

Last year's total for the first six months of $24,341,000 is more than double the 1932 results while 1929 is 12 times as large. On the basis of 1926 equals 100, the index number for the value of permits issued during the first six months of the current year is 12.8. As numerous new construction companies have been started since 1926 and the industry at the present time is capable of handling a great deal more work than at that time, it can be safely estimated that during the first six months of this year operations were below 10 per cent of capacity.

With the exception of Nova Scotia all provinces showed increases in June over the pervious month, the largest, one of $1,250,000, occurring in Quebec. Of the larger cities, Montreal, Winnipeg and Vancouver reported increases over May and also over June a year ago, Toronto showed a gain over May but a loss compared with June, 1932.

Building Permits Issued In Leading Cities

	June, 1933 $	May, 1933 $	June, 1932 $
Montreal	1,665,780	469,051	1,420,337
Toronto	458,692	389,840	654,894
Vancouver	232,875	160,117	126,650
Winnipeg	130,850	114,300	128,450
Ottawa	125,455	91,245	261,390
London	94,200	24,695	49,450
Edmonton	71,895	52,840	171,345
Halifax	59,400	72,260	88,655
Calgary	51,106	37,617	74,344
Quebec	48,851	38,996	52,250
New W'minster	38,710	5,690	9,790
Shawinigan F.	36,760	1,200	3,700
Fort William	33,150	25,750	23,250
Kingston	32,921	19,680	28,117
Brantford	32,645	7,551	6,765

Improvement Evident in All Economic Areas

Second Successive Monthly Advance in Business Recorded By The Financial Post Index—Eastern Areas Record Largest Gains in June

By SYDNEY B. SMITH

The wide geographical distribution of the betterment in economic conditions in recent months is demonstrated by The Financial Post regional indexes covering the five principal economic areas of Canada. The rapid improvement in the second quarter is shown by the sharp upward trend of the indexes during May and June. The investigator is seldom given an opportunity to report general gains in the five economic areas for two months in succession.

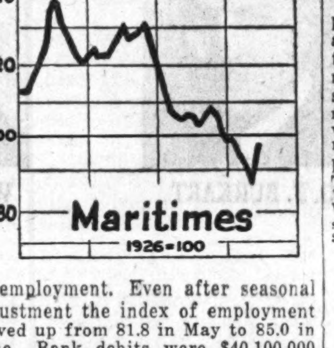
Continuing the advances of the preceding month the regional indexes recorded general gains in June. Building permits showed gains in each of the five economic areas except the Maritimes, while contracts were greater in Ontario and the Maritime provinces. Electric output showed heavy gain in the three eastern economic areas.

Employment Improved

Industrial employment was greater in each of the areas except the Prairie Provinces. Bank debits were much greater in each of the areas except the Maritime Provinces. Sales of life insurance were greater in Ontario and British Columbia. It is not often that the compilation sheet of the various areas shows such a large proportion of gains.

Maritimes—The index of the Maritime provinces moved up from 91.7 in May to 96.4 in June. Contract awards were $856,000 compared with $260,000 in the preceding month. Building permits on the other hand showed a decline, whereas a gain was called for by seasonal considerations. The average daily output of electric energy was 1,805,000 kw.h. compared with 1,618,000, a sharp gain being indicated which would be somewhat augmented by seasonal adjustment.

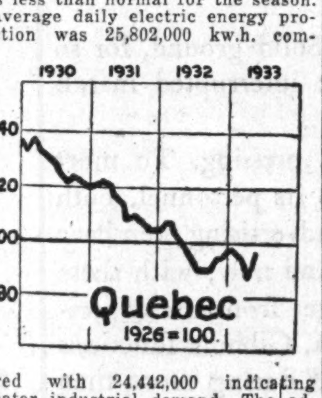
Another factor having considerable influence on the index was the gain



in employment. Even after seasonal adjustment the index of employment moved up from 81.8 in May to 85.0 in June. Bank debits were $40,100,000 compared with $44,200,000, presenting a contrast to sharp gains in other economic areas. The increase in sales of life insurance was less than normal for the season. External trade through Maritime ports was affected by seasonal considerations. The tonnage clearing from Saint John was 126,664 compared with 130,376 in the preceding month. The Dominion Iron and Steel Co. recently had 1,500 men on payrolls with three 50-ton and two 100-ton open-hearth furnaces in operation. The blast furnace was active with the blooming, billet and rail mills operating in shifts.

Quebec—Conditions improved materially in Quebec, the index at 97.4 compared with 92.7 moving up 5 p.c. Most of the factors used to determine the trend showed gains of considerable proportions. Building permits were $1,782,000 compared with $532,000, while the gain in contracts was less than normal for the season.

Average daily electric energy production was 25,802,000 kw.h. com-

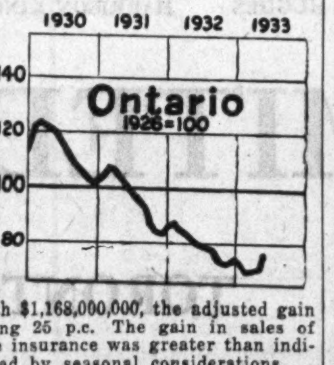


pared with 24,442,000 indicating greater industrial demand. The adjusted index of employment was 80.4 compared with 76.9. Bank debits at $881,000,000 recorded a gain of nearly 27 p.c. Sales of life insurance showed moderate decline.

The boot and shoe industry was more active in the latest month for which statistics are available. Imports of raw cotton by the textile manufacturers were moderate, while newsprint production showed a slight gain after seasonal adjustment.

Ontario—Of the nine factors considered in connection with the trend of Ontario seven showed advances, the index being 77.9 compared with 74.4. New business obtained by the construction industry showed considerable improvement. Contracts were $3,459,000 compared with $2,442,000 and building permits showed some gain in value. Electric output on an average daily basis was 11,639,000 kw.h. compared with 10,795,000.

The seasonally adjusted index of employment was 82.7 on July 1 compared with 80.2 on June 1. Bank debits were $1,365,000,000 compared



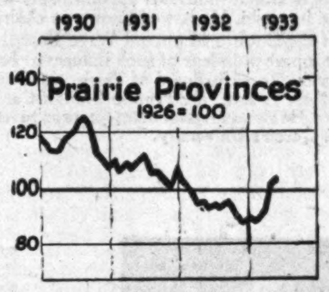
with $1,168,000,000, the adjusted gain being 25 p.c. The gain in sales of life insurance was greater than indicated by seasonal considerations.

The meat packing industry was less active in June, declines being shown in cattle and hog slaughterings. The primary iron and steel industry showed greater activity at Hamilton and Port Colborne while preparations were being made at Sault Ste. Marie to fill a rail order. The decline in motor car production was somewhat greater than normal for the season.

Prairie Provinces—Progress in the Prairie provinces was a little more uneven than in eastern areas, the index showing a gain of 3 p.c. The standing of the index was 103.7 compared with 100.7 in May, when a considerable increase was also shown.

Building permits showed a gain while the increase in contracts was less than normal for the season. Electric power output per day was 2,682,000 kw.h. compared with 2,926,000 in May, the decline being greater than normal for the season. The gain in employment was less than seasonal variation justified, the adjusted index being 81.0 compared with 82.4.

Bank debits were $552,000,000, the adjusted gain being 7 p.c. Sales of life insurance showed decline after seasonal adjustment, the total in June being $4,401,000. Wheat receipts at country elevators were 19,466,000



bushels compared with 10,849,000 in May and the price of wheat recorded considerable appreciation. Crop prospects differ greatly according to the locality, grain crops in certain districts having been greatly injured by excessive heat and lack of moisture. Other sections have fared better and a moderate crop is in prospect. The outcome has a direct bearing on the prosperity of the area during the next 12 months and conditions in other areas are also influenced to a great extent by the same factor.

British Columbia—The index for British Columbia holds out hopes of more prosperous times, the standing being 83.3 compared with 81.4.

The slight gain in electric power production was effaced by seasonal adjustment. The level of construction operations was greatly below normal although building permits showed a gain over the preceding month. Employment and bank debits were the spectacular features of the month. The adjusted index of employment moved up from 74.3 to 78.4. The gain in bank debits at $143,600,000 was more than 15 p.c. Life insurance sales were $2,134,000 compared with $1,958,000 in May. The gain in tonnage cleared from Vancouver was to 948,000 from 915,000, but the increase was less than normal for the season.

Week's Figures Show Increased Trade Activity

Plus signs continue to outnumber minuses in the weekly summary of business statistics as monthly and weekly production and sales figures continue to make improved showings when compared with previous periods and with the same period of the previous year.

This week's group of statistics is featured by a big increase in the number of cigarettes released for consumption during June. Other statistics, with the exception of automobile production also make a better showing than in the previous period, while, with the exception of pig iron production, all are higher than in the same period a year ago.

Monthly	June, '33	Change From previous period %	Change From previous year %
Cigarettes cons. No.	437,535,200	+21.3	+16.1
Pig iron prod. tons	857	*	—90.0
Steel ingot prod. tons	31,602	+39.1	+77.8
Auto. output No.	7,323	—12.1	+ 2.9
Electrical output kw.h.	1,370,913,000	+ 1.6	+14.2
Weekly †			
Carloadings No.	39,843	— 1.6	+ 5.6
Cattle sales No.	10,765	+ 2.6	+ 0.6
Hog sales No.	18,072	+19.5	— 6.0

* No production in May.
† Weeks ended July 15.

Business Briefs

Failures under the Bankruptcy Act for the week ended July 15 numbered 24 as compared with 49 in the corresponding week a year ago. For the year to date, failures have numbered 953, a decrease of 198, or 17.2 per cent, from the same period of 1932.

Car loadings for the week ended July 15 numbered 39,843, a decrease of 626 cars from the previous week but 2,108 cars greater than in the corresponding week a year ago. The index number rose from 64.18 to 65.44.

PIG IRON WORKS BLOW-IN FURNACES DEAD SINCE FEB.

Electric Output Gains in All Areas—Post Index Jumps

The unmistakable gain in business operations in Canada during June was the most tangible piece of evidence regarding the genuine character of economic recovery. Stock and commodity prices may be advanced due in part to currency fluctuation and subject at times to severe reaction but the actual gain in the output of Canadian plants during the current period is the most important and convincing element in the betterment of economic conditions. The resumption of productive enterprise as measured by a composite of output in physical volume units should convince the most confirmed pessimist that we are already on the road to better times.

While The Financial Post index for June in its final form did not indicate a gain of the same unexampled magnitude as the preliminary compilation, the increase from 73.5 in May to 78.6, amounting to 7 per cent, must still be regarded as extraordinary. The final index is based on 47 factors adjusted for seasonal tendencies and weighted according to their relative importance. Of the 47 factors, 35 showed a gain in June over the preceding month, while 12 only were in the red.

Foodstuffs Gain

The gain in mineral production was moderate, precious metals, copper, lead and asbestos showing gains. The increase in nickel shipments was less than normal for the season, although exports were at a high level. Gold shipments were 219,270 ounces compared with 210,256 and silver exports and mint receipts were 1,136,000 ounces compared with 866,000. Bauxite imports showed a decline, while the gain in coal output was less than normal for the season.

Production of foodstuffs scored a sharp gain, the flour milling and sugar industries participating in the advances. The output of sugar was 89,254,000 pounds compared with 41,167,000. The slaughtering industry was not so active, while exports of cheese and canned salmon were at higher levels.

Tobacco releases showed a large increase, cigarettes totalling 437,535,000 compared with 360,805,000. Crude rubber and raw cotton imports recorded decline while cotton yarn and raw wool were imported in greater volume. The decline in newsprint production was less than normal for the season.

Lumbering Active

Lumber and wood pulp exports showed important gains and this tendency combined with price advances portend better times for an industry which has suffered severely from depressed conditions.

With two blast furnaces in operation, the primary iron and steel industry displayed considerably greater activity, while motor car production slackened moderately. Imports of petroleum were 121,121,000 gallons compared with 83,981,000.

The construction industry was more active than in May but a relatively low level of operations is still indicated. The index of electric power production was 149.0 compared with 138.9. Carloadings indicated further improvement in freight movement. Employment in trade showed a gain greater than normal for the season and imports recorded a further increase. The gain in bank debits, in part explained by speculative activity, was 22.5 per cent. And last but not least, the gain in industrial employment was of sufficient proportions to constitute a source of elation from several viewpoints.

Exports to Empire Countries Increase Materially in June

Canada's domestic exports to British Empire countries in June totalled in value $21,889,602, compared with $14,963,270 in June last year, a gain of $6,926,332 or 46 per cent.

Canada's domestic exports to the United Kingdom in June totalled $17,977,106, compared with $11,371,590 in June a year ago, a gain of $6,605,106, or 58 per cent.

Commodity Prices

	Week ending July 22	Previous week	Same week last yr.
Cattle (cwt.)§	$5.50	$5.25	$7.00
Copper, lb.	.09	.09	.05¼
Cotton, lb.	.1020	.1140	.0575
Rubber, lb.	.0725	.0980	.0295
Sugar, raw, lb	.0360	.0365	.0310
Silk, lb.	2.30	2.37½	1.25
Wheat (Man.) bu.°	.76¼	.93½	.55⅜
Hides, lb.	.15	.14	.05½
Coffee, lb	.08	.07¾	.08

Weekly Indices

N. Y. Annalist‡	106.8	104.0	92.0
Fishers'	♦70.4	68.8	†59.6
N. Y. Journal of Comm.■	68.5	70.4	56.2
Crumps (Brit.)*	65.1	64.2	†59.0
U. S. Labor▲	67.2	66.3	64.8

†Average, June, 1932. ‡Week to July 18. *Week to July 16. ▲July 8. ♦July 22. §July 20. °July 24. ■July 15.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (June)	67.6	66.9	66.4
Retail (June)	77.7	77.6	81.0
U. S. Labor (June)	65.0	62.7	63.9
Gt. Brit. (May)	66.9	65.6	67.9

‡Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto; copper—electrolytic, New York; silk — Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (July 15)	39,843	37,735	981,177	1,153,634
C. P. R. gross earn. (July 21)	$ 2,293,000	$ 2,277,000	$ 55,767,000	$ 62,482,000
C. N. R. gross earn. (July 21)	$ 3,091,591	$ 3,049,568	$ 72,102,675	$ 83,141,876
	Monthly			
C. P. R. net earn. (May)	$ 975,809	$ 737,364	$ 2,811,753	$ 3,673,263
C. N. R. net earn. (June)	$ 985,896	$ 735,914	$ ‡2,978,981	$ 620,369
Iron and Steel—				
Pig iron, tons (June)	857	8,163	36,210	77,201
Steel, tons (June)	31,602	18,11[illegible]	[illegible]	180,4[illegible]
Automobiles prod., No. (June)	7,323	7,112	38,262	39,669
Auto Vehicles—				
Passenger, sales, No. (May)	6,693	7,106	19,717	21,336
Trucks & buses, sales, No. (May)	846	1,038	2,224	3,699
Auto exports, No. (June)	2,299	802	8,714	3,119
Construction—				
Building permits (June)	$ 3,535,948	$ 5,028,324	$ 10,107,289	$ 24,341,044
Contracts (June)	$ 8,086,200	$ 12,154,700	$ 32,912,300	$ 74,761,200
Newsprint—				
Production, tons (June)	171,419	161,368	894,181	1,004,248
Exports, tons, (June)	152,151	155,895	807,237	933,446
Sugar—				
Imports, raw, lbs. (May)	81,229,600	98,571,500	173,296,700	268,251,800
Melt. & ship., lbs.*	93,413,740	75,005,015	279,273,651	282,554,851
Manufactured, lbs.*	89,254,010	73,721,634	279,958,566	000,000,000
Flour—				
Production, bbls (May)	1,334,101	1,040,693	5,056,380	4,781,163
Wheat flour exp., bbls. (June)	544,507	570,861	2,564,662	2,372,216
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (June)	94.70	110.68	342.48	407.98
Boots and shoes, pr. (May)	1,754,564	1,656,088	6,858,245	7,570,393
Petroleum, imp. crude, gal. (May)	83,981,157	109,518,026	142,145,778	337,029,615
Cotton, imp., raw, lbs. (May)	8,111,000	12,463,000	33,326,000	45,617,000
Rubber, raw, imp. lbs. (May)	3,817,398	3,170,767	12,850,876	20,322,659
Coal, imports, tons (May)	936,596	1,039,887	2,807,781	3,432,136
Gasoline sales (Apr.)	30,711,000	35,358,000	107,576,000	114,498,000
Trade—				
Imports (June)	$ 33,618,905	$ 40,743,105	$ 167,836,114	$ 242,047,511
Exports (June)	$ 45,967,773	$ 40,852,100	$ 206,093,937	$ 222,803,411
Wheat exports, bus., (June)	16,998,672	15,857,427	83,368,577	68,205,072
Labor—				
Employment Index (June)	80.7	89.1	......	......
Electric Power—Output—				
M. Kilowatt hours (June)	1,370,913	1,200,098	8,082,053	7,947,948
Finance—				
Failures, No. (Apr.)	184	190	806	857
Failures, Liabilities (Apr.)	$ 3,022,466	$ 3,170,679	$ 14,410,269	$ 14,279,102
Bank debits† (May)	$ 2,649,625	$ 2,175,184	$ 10,212,854	$ 10,334,208
Bond sales (June)	$ 90,253,692	$ 20,759,081	$ 128,830,417	$ 161,665,121
Insurance sales (June)	$ 32,398,000	$ 40,963,000	$ 178,118,000	$ 218,533,000
Automobile Financing—				
Used cars (May)	$ 1,633,742	$ 1,763,926	$ 4,670,841	$ 5,754,555
New cars (May)	$ 1,459,727	$ 2,023,586	$ 4,433,923	$ 6,031,731

*Four weeks period, May 27 to June 17. †(000's omitted) ‡Deficit.

AN ALL-CANADIAN INSTITUTION

1866 1933

As far back as 1871 this Company engraved cheque forms for the Exploratory Surveys of the Canadian Pacific Railway, the beginning of a business relationship which has continued to the present day.

In the Beginnings of Canadian Prosperity

TO the first early prosperity of a united Canada this Company has made its important contribution, then as now providing Canadian Governments, transportation services and industries with quality engraving in the production of bonds, stock certificates, bank notes and other monetary documents.

British American Bank Note Company Limited

1112 Bank of Hamilton Bldg. TORONTO — HEAD OFFICE OTTAWA — 511 Place d'Armes MONTREAL

Ford Motor Company, Dearborn, Mich.

In answer to a lady's letter

Henry Ford
Dearborn, Mich.

A lady writes to say that she does not understand why an 8-cylinder car does not cost more to run than a car with fewer cylinders. She refers to my statement that our Ford V-8 develops more power on a gallon of gas than any car we have made.

The use of 8-cylinders does not mean the addition of two or four extra fuel consumers. It is not, for example, a 4-cylinder engine multiplied by two. Our 8-cylinder engine takes the fuel supply of an ordinary 4-cylinder engine and divides it eight ways. And why?

By reducing four larger explosions into eight smaller ones, we get engine smoothness and quietness. Eight-cylinders indicate the way the gas is used, not the amount. It is just the difference between going upstairs in four long jumps or in eight ordinary steps.

Two things use up gas—bad engine design and useless car weight. Besides having an engine that gets a high percentage of power out of the fuel, the Ford V-8 has a light, strong body and chassis so that no power is wasted in moving excess weight.

The only extravagance about the new Ford V-8 engine is in the building of it. The extravagance is ours—the economy is yours.

The whole question of car economy needs clearing up. An economical car gives economy all round. Price, operation, upkeep, all play their part. If what you save on gas you lose elsewhere, that is not economy.

As to upkeep, our dealers say that in recent years the improved quality of Ford cars has cut down their repair business 50 per cent.

As to price with quality,—judge for yourself.

As to economy, here is the record of a stock car three weeks out of the factory:

On a run of 10,054 miles at the rate of 1,000 miles a day—the Ford V-8 gave 22½ miles per Imperial gallon of gas. Not a drop of water was added to the radiator. The oil was changed once in 1,000 miles.

This should answer a lot of questions.

Henry Ford

This letter from Henry Ford describes so clearly and simply the reasons for the remarkable economy of the Ford V-8 that it is reprinted here by the Ford Motor Company of Canada, Limited

National Steel Car Corporation Limited

Builders of Passenger Cars—Freight Cars — Street Cars — Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames, Woodwork and Parts — Steel Pressings — Forgings — Drop Forgings.

HAMILTON, ONTARIO, CANADA
621 St. James Street, MONTREAL, QUE.

J. J. GIBBONS LIMITED
ANNOUNCE
THREE NEW APPOINTMENTS
R. L. WRIGHT
Head of Research and Survey Department
Against an Oxford background, with subsequent advanced research work in commercial history and economics, Mr. Wright has built up a long and successful Canadian experience in practical business organization and management. He possesses a very intimate knowledge of Canadian and British markets, as well as of Inter-Empire trade opportunities, and is well known throughout the Dominion both as a speaker and writer on merchandising, sales promotion, and economics. As a past president of the Canadian Society of Cost Accountants, Mr. Wright is recognized as an authority on cost-control in industry as applied to modern marketing methods.
R. A. STAPELLS
Vice-President in charge of Branch Offices
For the past three years Vice-President in charge of Sales Promotion, Mr. Stapells now undertakes additional responsibilities in connection with the Trans-Canada chain of J. J. Gibbons Limited branch offices. As a successful manufacturer and merchandiser on a national scale, for more than thirty years, Mr. Stapells' ability and energy have been recognized by the many important civic, political and industrial appointments which he has held. He is well known as chairman of the Ontario Minimum Wage Board, and is a past-president of such influential bodies as the Toronto Board of Trade, the Ontario Motor League, the Empire Club of Canada, etc. He also served for many years as governor of Queen's University.
WALTER KIEHN
Account Executive
In Mr. Kiehn, Gibbons has added another practical business executive and merchandiser to the staff. Mr. Kiehn's experience has been in the capacity of sales and advertising manager and in the direction and training of salesmen. He is widely known throughout Canada, and his broad experience and leadership have been recognized by his election to the presidency of The Advertising and Sales Club of Toronto and the vice-presidency of the Advertising Affiliation. Most recently he has had a long and successful tenure of office as sales and advertising manager of the Rogers-Majestic Corporation Limited.
GORDON E. HUNTER Vice-Pres., Winnipeg
HAROLD M. REID Manager, Montreal
COL. H. A. MOORE, C.B.E., M.C. London, England
R. G. SMITH Vice-Pres., Calgary
E. G. MacPHERSON Vice-Pres., Regina
DAVID CRAWFORD Vice-Pres., Vancouver
H. M. TEDMAN Vice-Pres., Toronto
BERTRAM BROOKER Director of Plans and Production
N. L. MacLEAN
O. F. BURKART
W. C. McNAUGHT
R. A. BARFORD
J. J. GIBBONS President
A CANADA-WIDE MERCHANDISING AND ADVERTISING SERVICE
VANCOUVER
CALGARY
EDMONTON
REGINA
WINNIPEG
TORONTO
MONTREAL
LONDON ENGLAND
W. H. HOARE Secretary Treasurer
J. H. FULTON Edmonton
A. B. JOHNSTON Winnipeg
W. A. BELL Calgary
E. P. THOMPSON Winnipeg
A. S. POWERS Calgary
EVERY RED SEA CAN BE CROSSED!
Business is coming "out of the red"! The dark waters have parted. Solid ground, for so long discernible only to the eyes of faith, is now in plain view. The interrupted march toward prosperity has started again.
During the lean years the problems of industry have been acute and pressing. To meet demands for extraordinary service in extraordinary times Gibbons added to its personnel, both in calibre and in numbers. In recent years several of Canada's outstanding advertising men have been attracted to Gibbons. Some we have chosen. Some have chosen us. And now, with these able new men added to an already large and capable staff, Gibbons emerges from the depression better equipped than ever. Today, in many important centres of Canada, Gibbons functions as a nation-wide agency ready to contribute a rich experience accumulated during more than 30 years of service to Canadian business.
Having "banked" on the upturn, we look forward with interest and enthusiasm to what may well prove to be the busiest period this country has yet known. Our best foot is forward — well down on the accelerator — now that all the signs say "Go!"
C. F. GOLDTHWAITE Montreal
L. E. C. MANLEY Vancouver
FRANK WRIGHT Montreal
J. E. H. LOVICK Vancouver
D. N. MORRIS Montreal
A. J. CALDER Vancouver
J. G. WHITLEY Winnipeg
S. C. BOWDLER Regina
HAROLD J. STRONG
FRANK DOWSETT
J. H. ROBERTSON
G. GORDON
MISS E. HUGHES
HARRISON KING
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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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AMERICANS BUY BRITISH STOCKS FEAR INFLATION

Stock Exchange Gazette Claims U. S. A. is Insolvent

WORLD EMERGING

Recovery Under Way and Will Continue if Dictators Do Not Obstruct Progress

Much of the increase in stock market valuation of leading industrials on the London Stock Exchange is said to be due to American buying. It is stated that this buying comes from Americans who no longer have confidence in their own currency.

There has been a gradual improvement in trade in the British Isles for the three months ending June 30, and it occurred for the most part without any of the methods of inflation adopted in the United States. The United States inflation, however, spilled over until it was felt on the London stock market, sending shares higher than they probably would have gone if bought with strict reference only to the improvement in trade. The continued movement in the industrials makes many fear reaction in the debentures and preference shares of the same concerns.

Says U. S. A. Insolvent

The Stock Exchange Gazette was so impressed by the recent stock market inflation that it did not hesitate to say:

"The fundamental fact is that the U. S. A. is insolvent. Less so by reason of the rise in prices than she was when the conference gathered, but still insolvent with a large though diminishing army of unemployed to whom the methods of the gangsters and the racketeers lurk in the background as sinister alternatives.

"In that desperate situation the gold standard, the gold clause and a stable dollar are bubbles on the surface. To President Roosevelt the dangers are near and ever present. In trying to visualize what confronts Washington at all hours of the day, we may excuse the vagaries of its president whose views are influenced by the cohort of economists who change guard with disconcerting swiftness . . . .

"The world is under the harrow of the professional economist though our own arch-inflationist, Mr. J. M. Keynes, appreciates the danger of American prices running ahead of the depreciation in the dollar . . . .

"The economic conference is fruitless and apparently its fruitless existence would become agony unless it decided to leave President Roosevelt to build on inverted pyramids and raise prices for commodities to a level at which no one will buy.

"We need not, however, regard the failure as other than realizing tepid forecasts. Without the aid of statesmen the world is emerging from its depression. The movement had commenced last autumn and if dictators will not obstruct its progress, it will continue. Nations must live and conditions will be framed to suit their individual needs."

CLOSER CHECK-UP CREATES INCREASE IN RADIO LICENSES

One License For Every 15 of Population Now Issued

Radio licenses issued during the fiscal year ended March 31, 1933, are considerably greater in number than in the previous year, the comparative totals being 761,288 and 598,358. The major portion of the increase, however, cannot be credited to the number of radios in use but rather to more efficient supervision and check-up by the Department of Marine in attempting to assure that all radios are licensed.

The figures compiled by the radio branch of the Department of Marine, while they cannot be presumed to represent all the radios being operated in the Dominion, do give an excellent picture of the provincial and municipal distribution of receiving sets.

Ontario Leads

Ontario, as might be expected, leads all other provinces with 340,347 licenses issued in 1932-33, approximately one for every ten of the population of the province. Quebec is second with 195,389 or one for every 15 persons. The ratio in each province is shown in the following table:

Radio Licenses Issued

	1932-33	Ratio to Population
Prince Edward Island	1,484	1 in 59
Nova Scotia	26,824	1 in 19
New Brunswick	16,908	1 in 24
Quebec	195,389	1 in 15
Ontario	340,347	1 in 10
Manitoba	47,980	1 in 15
Saskatchewan	32,367	1 in 28
Alberta	38,380	1 in 19
British Columbia	61,368	1 in 11
Yukon and N.W.T.	241	1 in 47
	761,288	1 in 14

Leading Cities

Licenses issued by individual cities follow closely the population totals as far as ranking is concerned although Victoria is an outstanding exception, having a much higher ranking than its population would seem to warrant. This high ranking is partially explained by the fact that the Victoria total includes also many surrounding villages.

Licenses issued by leading cities are as follows:

Radio Licenses Issued Year Ended March 31, 1933

	No. of Licenses	Population
Montreal	128,366	818,577
Toronto	109,831	631,207
Winnipeg	35,100	218,785
Vancouver	32,611	246,593
Hamilton	23,738	155,547
Ottawa	20,010	126,872
Quebec	13,629	130,594
London	12,508	71,148
Windsor	11,873	63,108
Calgary	10,837	83,761
Edmonton	10,335	79,197
Victoria	9,243	39,082
Halifax	8,911	59,275
Regina	7,204	53,209
Saint John	6,488	47,514
St. Catharines	5,200	24,753

Why World Economic Conference Failed

Conference May Meet Again With Success If It Awaits Determination of National Policies of Leading Countries—Conference Failure Does Not Mean Chaos

By FLOYD S. CHALMERS,
Editor, The Financial Post

THE first phase of the great London Economic and Monetary Conference is closing as the few statesmen and experts still remaining in London pack their bags to return home. Whether or not there will ever be a second phase; whether or not the conference will be reconvened at a later date remains to be seen. Returning to Canada after five weeks in London, my own guess is that the conference will come together again, smaller, quieter, more modest in its objectives, and that when it does meet again it will find useful work to do.

When the conference first met on June 12 the condition of affairs in the world was such as to bar success. My first cables from London stated that no important agreements were to be expected though modest achievements were possible on minor technical matters. But the conference break-up was too complete to permit even of these, unless one considers the progress in the wheat conversations and the marketing agreement on silver as having some useful significance. But if international agreement is impossible now on important economic matters, it is not necessary to assume that agreement will continue to be impossible for all time.

Finding Happy Mediums

First of all, greater de facto unity must appear in national policies before any realistic de jure agreement will be possible. The conflict of economic viewpoints between different countries is too great now for mutual understandings. But experience will determine the reasonable middle views on such matters as tariffs, currency control, restriction of production, etc. If and when the happy mediums are discovered the conference may meet again with fair prospects of success.

This suggests that a lengthy postponement will probably be regarded as wise.

Position of Three Nations

When can the leading nations come to a recalled conference, prepared for international co-operation?

When the United States has reached the point in its great gamble for prosperity, where consolidation of gains made becomes a matter of urgency, it may welcome the co-operation of older and more conservative nations and it may be able to turn from the problems of domestic recovery to the wider problem of making a contribution to world recovery. In fact, it may need world recovery in order to save itself from another collapse.

When France and the gold bloc nations know whether or not they are going to be able to keep their gold defenses intact; when the logic of events rather than the logic of tradition determines what French policy may safely be, that country, too, with its economic friends, may be able to come to a world conference in a mood for compromise.

When Britain has resolved the differences of economic opinion that split her financial and business leaders into two camps, one drawing its inspiration from Europe and tradition, and the other sharing the hopes and aspirations of America and the promise of the future, she may be able to show leadership in a world conference instead of attempting to hold the scales between utterly irreconcilable policies.

The conference adjourns with each nation going its own way. It will probably not meet again until the various courses come near to a point of convergence.

False Hopes Abandoned

In the meantime, the holding of the conference has served one very useful and striking purpose. It has cleared the air of false hopes and ill-founded promises. It has robbed politicians the world over of one of their strongest alibis for inaction.

No longer can governments refrain from tackling vigorously their own domestic problems to the chorus of "wait for the World Conference." There is now no world conference to wait for. There is no longer just around the corner an international panacea for domestic ills.

Likewise, whatever measure of false support has been given to business by the expectations of brilliant conference successes has been withdrawn. Business the world over stands on realities.

No One Nation to Blame

No one nation should be blamed for the downfall of the conference. It was not a British failure, although the British were hosts to the delegates and essayed their usual rôle of umpiring the chief quarrels.

It was not a deliberate French attack on world economic peace even though the French marshalled their forces against liberal action from the start.

The failure was not the product of selfish American isolationism, even though Roosevelt refused to abandon his domestic programme in exchange for a world programme.

The differences of viewpoint were just too great for any immediate reconciliation and so the conference has had to admit defeat.

Is Blow to League

It is, of course, a set-back for the League of Nations, which so enmeshed the conference deliberations in strangling folds of red tape that the parley would have had no better than an even chance for success even if the international atmosphere had been right.

And the conference failure is a salutary lesson in common sense to those who made the rather foolish prophecy that its failure meant utter chaos for the world.

When it became apparent that the conference was not going to produce the magic formula of world recovery from a property hat, there was some very agile shifting of ground by the "parting of the ways" school of parley commentators.

A great deal of foolish speaking and writing was done in June by people who forecast that the collapse of the conference would be followed by utter economic chaos. Statesmen indulging in the hyperbole that is part of their stock in trade vied with editorial pundits in declaring that the world was at the crossroads; that the several nations would have to choose at this conference between following the path that led to a keener development of economic nationalism and the path that led to the broader fields of international recovery. The wrong choice (nationalism being implied) meant disaster. This was the keynote of most of the opening speeches.

Inconsistent Speeches

A group of speeches more inconsistent with the real policies that the various delegation leaders were promoting and practising in private, it would have been difficult to imagine. The speeches were genuinely dangerous in that they aroused hopes that could not possibly be satisfied. They contrasted sharply with the prevailing suspicion that was in the air. They served to intensify the cynicism of visiting journalists; they paved the way for the wide-spread disillusionment about the conference that was shortly to manifest itself. Mr. Chamberlain says the conference started under auspicious circumstances. But the only promising feature was that the gloom was so deep that it seemed it could get no deeper.

In these public pronouncements at plenary sessions and elaborate dinner functions, pontifical reference was made to the need for international co-operation; for a general lowering of tariff barriers; for the abandonment of preventives to recovery such as exchange controls, absolute embargoes or quotas in trade, etc.

Leader writers took up the refrain. Probably international economic amity never reached a higher plane than it reached—in print—in the week before and the week after the opening of the conference. Nor was international suspicion ever greater.

Tune Changed

Now that the conference has shown itself incapable of effecting the economic transformation that idealists might have desired and is finding only a very modest salvation in the decision to carry on with the discussion of matters that are important but not primarily important, a new tune is being sung. Such clever phrases as "difference without dissension" are being coined. Some merit is being found in economic nationalism after all. Those who condemned most roundly the selfish isolation of the United States are now declaring that no better contribution can be made by that country to the world at large than to put its own house in order, raise the level of domestic prices and exert a magnetic lifting power on gold prices as well. Other nations are even adjured to follow the precept and example of the United States by balancing their budgets, mobilizing their credit resources and controlling their production in the interests of a more ordered economy.

The truth of the matter is that the comprehensive international agreements that the more optimistic people forecast as the end product of this conference were never possible. The conference met at the wrong time in the world depression for any such agreements to be a likely or possible result. In these dispatches which I have written from London I think I have made that largely clear from the start.

Unfavorable Circumstances

Consider the circumstances under which the conference met. It was called by the League of Nations at the suggestion of the international banking chieftains who met last year to study the confused financial inter-relationships of Europe. From time to time, as new circumstances developed, the time for its meeting was moved forward until at the request of President Roosevelt, statesmen from leading countries of the world met in Washington in April and May. The date was really fixed by Rt. Hon. Ramsay MacDonald and President Roosevelt who no doubt felt that by June 12 there would be some reasonable stability in world affairs. The smaller nations, particularly the overseas exporters of primary products, were pressing for action. The president was then not unwilling to permit a free and open discussion of the international problem. The British were glad to convene any conference that promised to give an international aspect to the American programme. Mr. MacDonald was strongly advised by financial interests in London not to hold the conference until the United States programme had proceeded farther and until there was evidence of what its impact might be on world affairs but the idealistic Scot, who is the nominal if not the actual head of the British Government, disdained to accept such advice.

American Bomb Shell

But by June 12 it was apparent that the conference was still-born in its major aspects. The fundamental convergence of economic policy between the United States and the "gold" countries of Europe was marked. The Americans had undertaken, with the enthusiastic acclaim of speculators and business men, but against the considered judgment of most of her cautious banking advisers, the gigantic experiment of lifting herself by her own bootstraps.

It was an experiment calculated to appeal to the American psychology. It was an effort dictated by the almost unbelievable insolvency of America's financial institutions and the complete eclipse of her business progressivism. It was an experiment capable, under good generalship, of succeeding in a country with such latent resources in sentiment and wealth as the United States. But it was an experiment utterly foreign to the political or economic conservatism of the European countries. This statement requires one qualification. In the ultimate analysis the American attempt to co-ordinate all phases of economic life under Government control is nothing more nor less than the establishment of a corporative state on the lines of State Socialism as it has been preached in Europe for generations and as it has been practised in Russia and Italy. It was State Socialism to save Individualism and herein, as well as in the monetary experiments that were adopted as part of it, it differed so radically from European views as to be quite inexplicable to minds attuned to logic more than to enthusiasm.

American Internationalism

In his earlier outlines of America's new economic policy President Roosevelt had provided ample scope for giving to his programme an international flavor. When I was in Washington during the visit there of the European statesmen I was assured by several of President Roosevelt's most intimate advisers and I heard the assurance repeated from the president's own lips, that the United States, in the working out of its own salvation, would recognize the essential creditor responsibilities of the nation and would seek to promote world recovery by policies capable of international co-ordination. But by the time the American delegation arrived to take part in the world conference, it was evident that international co-operation, as President Roosevelt interpreted it, meant something quite different from what the Europeans expected.

What had happened to modify the president's views? Why did the American delegation at the world conference not preach and promote the tariff, monetary and debt policies that were so clearly urged by the president in his campaign speeches and in his inaugural address? What happened to the "good neighbor" complex of the president?

Reasons For Change

No doubt a number of explanations could be offered of which several are worthy of mention. In the first place the president was undoubtedly disappointed by the reaction of world statesmen to his invitations to Washington. He found that almost every one of these statesmen arrived in Washington with a dispatch case filled with concessions that he desired from Washington. The invitations had been generally interpreted as requests to come to a Christmas tree party and the two weeks spent by the president in these conversations were largely taken up with listening to complaints from foreign countries as to the manner in which economic isolation on the part of Uncle Sam had produced the world crisis unaided by other influences.

Viewpoints Differed

In the second place these conversations made clear to the president the almost irreconcilable difference of viewpoint between old Europe and New America. Caution, the desire for security, whether economic or political, and a dislike for experiment were attributes of the European mind which promised to dominate Europe's policies in the next few years. There was little sympathy for the president's policy of credit expansion; there was absolute alarm at his threat of ultimate currency expansion. Control of industry and agriculture was something that Europeans could understand but they wanted it on a world-wide scale while the president wanted it first on a national scale and, only after it was successful there, on an international scale. The president was surprised to find that large parts of Europe clung to the gold standard as the only rock of hope for a currency-battered world. He found that Europe preferred the maintenance of the gold standard, and through it possible future stability, to the gay experiment of a managed currency and temporary prosperity that might or might not prove to be permanent prosperity. Thus before the conference opened President Roosevelt knew that if he was to play the rôle of the "good neighbor" as the rôle was interpreted by Europe he would have to abandon the recovery programme to which he had set himself and which he conceived to be America's best contribution to the world. This he was not prepared to do.

Inconsistent Aspects

In the third place, the American programme was not long under way before it became obvious that it was not entirely consistent with the president's earlier promises of international co-operation. Essential to control of industrial and agricultural production was protection against foreign exporters wishing to take the place of the excess production taken off the American domestic market. Thus tariff reduction did not fit in with the immediate plan. It was hardly to be expected that the American producer would feel very kindly to a Government that bonused him to restrict his output and then invited other nations, through a lowering of tariffs, to compete with him in his own market.

And in the fourth place, the president ran into the threat of an influence that has dominated the actions of all presidents—that of Congress. The only manner in which a president in the United States can exercise true dictatorship is through the force of public opinion and during his first weeks in office President Roosevelt undoubtedly had this support in full measure. But in the United States, public opinion is a somewhat volatile, flitting thing and the president's command of it was dissipated in the rising power of an aggrieved legislative branch of Government. Even if President Roosevelt had been willing to go through with the international co-operation phases of his earlier programme, he had to reckon with Congress and by the time he was ready to turn from domestic matters, which came first, to international matters, which came later, he was no longer the political and economic dictator of the American people. And, in fact, to maintain that degree of dictatorial power that was an essential minimum for the carrying out of his programme he had to avoid any action calculated to arouse traditional American inhibitions. For if Europe has some outworn fetishes so has the United States.

Americans Rebuffed

In any event, for these and other reasons, the Americans came to the conference quite unprepared to make any notable contribution to a wide scale agreement on basic matters. They came to London to find a united front presented against them by the European countries, to find the British press and some British statesmen, worn a bit ragged by the debt discussions, in a most unfriendly mood. The unfriendly reception the American delegation received at the hands of the British press was enough to make them somewhat cynical about the conference. As usual, the British propaganda organization put it all over the American propaganda organizations but also as usual it overplayed its hand and by the middle of July was busy trying to undo some of the evil work it had accomplished in stirring up antagonism to the United States.

European Difficulties

Enough has been said about the difficulties from an American angle that the conference faced from its earliest hours. But there were other difficulties from a European angle.

The French came to the conference with a group of financial satellites and political friends, some of them, such as Germany and Italy, friends for the moment only because of unity of viewpoint on the gold standard and similar questions. The French have long enjoyed the experience of dominating League of Nations conferences. They deny that they dominate them from any preconceived desire; but they admit that they have a close contact with League affairs and that many of the countries most active in the League are sympathetic to the French viewpoint. But when the French came to this conference they found their influence comparatively small. They were in the minority on the question they considered most basic — currency stability. They could do no more than lead a bloc of nations; they could not run the conference. And so from the start the machines of French propaganda ground out the expression of opinion, that the conference was doomed to failure because the American attitude made international agreement an impossibility.

French Seek Security

French policy has been directed to achieving that ultimate objective of all Frenchmen, security, whether it be security for investments or security for home and country. Having spent the better part of the period since the war in strengthening the country against military or financial invasion from without, the French were not willing to give up any of the substance of economic self-sufficiency for the shadow of international recovery. Without any desire to be selfish the French delegates made it clear that France's contributions to international agreement must be made contingent upon thoroughly satisfying quid pro quo arrangements.

Great Britain on Fence

A position midway between America and Europe was occupied by Great Britain. The traditional rôle of Britain is holding the balance of power. At the conference she has striven desperately to reconcile conflicting viewpoints. When Rt. Hon. Neville Chamberlain declared in the early days of the conference for a policy of price raising which he felt involved the easing of credit even if only as part of the policy he did not satisfy France and the other European countries (outside of Scandinavian countries whose problems are more like those of Canada) because these creditor countries of Europe were afraid that it promised a dangerous diversion from sound and tried principles of finance and monetary control. But likewise he did not satisfy the United States or the British Dominions because his declaration was hedged about with such qualifications that it could not be taken as a promise of immediate action.

As a matter of fact there has been a very wide gap in British opinion. The international financial group, headed by the Bank of England, is all against monetary experiment and it seeks nothing so much as it seeks an early return to gold even at the expense of further deflation of wages and other costs. In brief this group had more in common with the gold group viewpoint than with price raising programmes in general.

But in Britain there is another group of influential opinion, including the economists and many of the industrialists, as well as not a few members of the Government, who believe that Britain has suffered ever since the war by her attempt to protect the creditor and international lender class at the expense of workers and producers generally. Most of this group agree with the essential objectives of the Rooseveltian inflation while reserving the right to criticize the programme in its details and in its working out.

When the conference opened, the gold standard influences were dominant in British policy. More recently the reflationists have been rising to the top and it is likely that their views will in time prevail. The debate in the House of Commons on July 10 made this significantly clear. But the lack yet of a definite well-informed solidarity of opinion in Britain has prevented this country from throwing her weight into the conference wholeheartedly to bring about agreement on one line or another of monetary policy.

Moreover the Treasury does not feel that the U. S. can succeed in cheapening the dollar rapidly from now on against the normal fall movements of produce outward from the U. S.

Production vs. Free Trade

Likewise in regard to economic policy there is still the keenest conflict of opinion in Britain between the old Manchester school of free trade economists and the now strongly entrenched protectionists. And this same conflict of opinion has prevented Britain's tariff declarations at the conference from having the suggestive decisiveness that would give them their fullest weight and authority.

The conference would probably have had a much greater opportunity for success had it been postponed another six months until the American experiment had been given a longer trial and either been proved a failure or a moderate success; until the ability or inability of the gold countries to maintain their standard had been more accurately determined; until the upswing of recovery was perhaps more clearly marked so that the underlying influence in economic nationalism — which is fear based on uncertainty — had been modified somewhat; and until the statesmen of each country had been given an opportunity still further to judge what the real objectives of their people were. Desperate as is the position of the world, it is still not desperate enough to lead any country to admit that there might be more prosperity for itself in international co-operation than in policies of economic self-protection.

Failure on Major Issue

The conference may reconvene and could indeed do some very useful and interesting work in connection with many important matters of a technical or even of a general nature. It would be a conference of experts, rather than of statesmen. In its main objective it has failed and in fact it had failed before it started.

What was that main objective? Was it not to substitute international co-operation in the economic sphere for economic nationalism? In that it has made no real progress and in fact now the conference is over for the time being, economic nationalism is as strongly entrenched as ever.

But if the conference has failed to produce a single treaty of world economic peace it is not too much to expect that the next few years will see the signing of an innumerable total of smaller treaties of peace as between groups of two or more nations. The Ottawa conference of 1932 produced such an agreement or rather series of agreements.

Ottawa Pacts Realistic

Despite the adverse criticism that was showered upon the Ottawa agreements in the earlier stages of the conference, more and more statesmen are turning to them for their clue as to what may be the real road out of the world's present troubles. Tariff reduction via a series of ever widening bilateral and regional agreements will follow the London conference, in the opinion of many of the best informed delegates. They make the forecast because they agree that when the nations agree in principle on tariff reduction but become suspicious of each other in the mass, then mutually satisfactory bargains, arrived at by haggling in private rather than in the open market place, are the only alternative solution.

As for final agreement on monetary policy it is generally felt in London that that must await a determination of whether or not any countries may remain on gold.

There is a strongly supported idea that the first steps toward a restoration of the free international gold standard, with whatever reforms and modifications are found desirable, must await the levelling down process of final abandonment of gold by all countries. Paradoxical as this sounds, it is the viewpoint of very well-informed financiers and economists, who point out that the barrier to a general return to gold now is the inequality in the positions and policies of different countries. Bring them all to the same base, put them all on some form of managed currency, and agreement upon equitable terms for the return to gold will be easier, they declare. But while some countries are on gold and others are off it, there is no semblance of reality to exchange levels and therefore no point to start from in fixing suitable parities for the future. This is the mostly widely held of the several viewpoints heard in London.

Trust in Will Assures Protection of Heirs

Can Be Drawn to Attain Any Objective; Should Be Flexible to Provide For Contingencies; Trust Companies Give Skilled Service

Article Eight of a Series on Wills and Estates

Two methods can be provided in a will for the distribution of the estate among beneficiaries; either the assets can be distributed as soon as possible or a trust can be set up that may extend the payments to beneficiaries over a period of years. The form of the trust can be made appropriate to almost any situation and can be made as flexible as is desired to meet any unforeseen contingencies. In many cases the provision of a trust can save a considerable amount of the estate, in reduction of Succession Duties, for examples, it can save beneficiaries the trouble of managing their investments and it can provide that the principal will not be dissipated unwisely by those to whom it is left to protect and benefit. It is not surprising, therefore, that trusts are becoming more and more common especially in wills disposing of large estates.

The appointment of a corporate trustee is more common than is the appointment of an individual trustee. Just as business men hesitate or refuse to act in the capacity of an executor, the individual is reluctant to take on the duties of a trustee with responsibilities extended over a much longer period of time. The corporate existence of a trust company has no limit whereas the individual acting as a trustee may be forced by death or disability from continuing his duties. As pointed out in previous articles, the broad experience of a trust company in many forms of business and finance is of great value in the management of an estate and the individual who can offer the same experience usually has such large interests of his own that his appointment as a trustee is an imposition. If the trustee appointed is an individual he has every right to make a charge for his services and the court makes no distinction between trustees whether they be individuals or companies and many individuals have found it necessary to accept a fee for their services.

Objections Can be Overcome

That the trust company is too conservative in its handling of an estate and lacks the personal sympathy and understanding of an individual acting as executor or trustee, are two objections that are made with regard to trust company management of an estate. That numerous examples of such instances can be supplied does not prove that the criticism is generally true. Corporations differ in personality just as do individuals and an objection to the character of the service given by one company in a particular case does not apply necessarily to other companies or even the same company in some other case.

Both objections can be overcome by proper measures. If the trust offers sufficient flexibility so that the trustee is given reasonably broad discretionery powers the element of ultra-conservatism can be avoided in many cases. Unless the will specifically provides discretionery powers, the executor and trustee is held by law responsible for his management of the assets in trust and is restricted in the type of investments that he can hold or purchase. Appointment as a co-trustee of a member of the family or a friend closely in touch with the family's problems may serve in providing a personal touch that would otherwise be missing. The trustee must necessarily be impartial and follow the terms of the trust as closely as possible and this action is not always understood by beneficiaries. Many trust companies are seeking, with a considerable degree of success, to make their trust service as personal as possible and to avoid a stereotyped, mechanical service that does not suit the needs of every individual. Prejudice against trust company service should not be allowed to interfere with inclusion of a trust in a will; such prejudice may be unfounded and may cause loss to those that the will is drawn to protect.

No Trust is Too Small

No trust is too small for some trust company to handle. The largest trust companies may be unwilling to handle a trust which comprises assets of less than $20,000, but it is unlikely that the trust would be refused. Much will depend upon the nature of the assets and the method chosen for distribution of income and principal. The fee granted by the courts for trust services varies from 2½ per cent to 5 per cent of the amount disbursed. There may be just as much work involved in handling an estate of $5,000 as there is in an estate of $100,000 and the largest fee that the trust company could receive on a small estate might not begin to pay for the work done. It is not good economy therefore for a large company with corresponding high overhead charges to handle small trusts where real estate or other holdings may involve a great deal more work than the fee involved could possibly pay for.

The president of one of the larger trust companies, a lawyer who commands a large fee, recently spent all of one day on a knotty problem concerning some real estate held in trust which had no greater value than the fee the lawyer usually gets for a day's services In this instance the fee the trust company would be awarded by the court would be a very small fraction of the worth of the services rendered. In this case as in many others a relatively small trust company might have been able to render just as efficient service and with a smaller overhead would have been anxious to get the business not favored by the larger companies.

Trust is Flexible

In setting up a trust the individual may have several of many objectives in view, for a trust has many applications. The trust enables the testator to make definite provision for future years. It places assets intended for the protection of dependents in conservative hands that assure that funds will be used for the purposes intended and will not be dissipated. At the same time the trust can provide sufficient latitude to provide for contingencies that may occur.

During a man's lifetime his family is supported on his earnings and the return from his investments. Upon his death his earnings cease and his family must depend upon his investments augmented by proceeds of life insurance policies for the income on which to live. Where the wife is not experienced in the handling of investments or in business the trust offers her protection from unsuitable investments and unwise distribution of capital. There may be children to be educated after a period of years and the trust can assure that necessary funds will be available to meet this expense while the estate can also be conserved until such time as children who are beneficiaries are judged to have reached the age of discretion. The trust, in short, is the only sure method of controlling the uses to which a bequest may be put and the best method of assuring continued support to dependents it is desired to protect against economic adversity.

Note.—This is one of a series of articles that will be published later in booklet form. The next article will continue the discussion of "Trusts" and will appear in The Financial Post at an early date.

World Parley Day by Day

Record in Brief of Events at London Conference

Official and unofficial reports of events at the London Monetary and Economic Conference are given below in daily summary form.

JULY 19—Sub-committee on silver adopted resolution to mitigate fluctuations in silver prices by control agreement between producing and consuming nations; to stop debasement of silver coinage; to substitute silver coins for low-value paper currency. This was all subject to agreement between producing and consuming nations before April 1, 1934.

JULY 20 — Committee work concluded and reports to monetary and economic commissions being prepared. Achievements small, including: Agreement against debasement of silver coinage and in favor of increasing uses of the metal; agreement gold not needed for internal circulation and central banks minimum currency reserves may be reduced to 25 per cent, and that solution of the international, commercial debt problem requires co-operation by creditor countries to restore a reasonable freedom of trade.

Reported that a steering committee will be maintained after adjournment July 17.

Empire economic conference expected to be convened in London after adjournment of world parley. Expected to consider difficulties in operation of Ottawa treaties. Empire currency problems may also be discussed.

Preliminary offer of wheat importing nations unsatisfactory to wheat producing powers. Acreage cut by producers depends on co-operation of importers.

JULY 21 — Cordell Hull, United States, proposed extension of tariff truce after conference recesses July 27. Also suggested reduction of trade barriers and revision of most favored nation clause in existing trade treaties.

Conference on wheat reported disagreed on acreage cut.

JULY 22—India, China, Spain, Canada, United States, Australia, Mexico, Peru, signed agreement on silver. Producing countries to use their own production for monetary purposes and not to sell any monetary silver. Sales of demonetized silver by India limited to 35,000,000 oz. yearly, producing countries to absorb this as well as their own production. Agreement to become treaty when signed by home governments. Will not affect sales and purchase of silver by citizens of India and China.

JULY 24—Sentiment said growing in favor of reconvening conference this year. French reported anxious to have currency stabilization question discussed.

James Cox, United States, supported move to form executive which could reassemble conference, but which could not disband it without plenary session.

Wheat negotiators worked on new draft for importing states to accept in acreage restriction programme.

JULY 25—Motion of Cordell Hull, United States, that steering committee determine whether to reassemble conference before Nov. 1 defeated.

Steering committee approved adjournment motion empowering committee to (1) take whatever action necessary to promote conference success, either by assembling committees or delegates on any problem; (2) decide date for reconvening conference.

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DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND No. 281

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after FRIDAY, the FIRST day of SEPTEMBER next, to Shareholders of record at close of business on 31st July, 1933.

By Order of the Board,

W. A. BOG, General Manager
JACKSON DODDS, General Manager

Montreal, 21st July, 1933.

The Canadian Bank of Commerce

Dividend No. 186

Notice is hereby given that a dividend of Two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1933, and that the same will be payable (less five per cent Dominion of Canada tax in the case of non-residents of Canada) at the Bank and its Branches on and after Friday, 1st September next, to shareholders of record at the close of business on the 31st July, 1933. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 21st July, 1933.

DIVIDEND NUMBER 243

Hollinger Consolidated Gold Mines, Limited

A regular Dividend of 1% has been declared on the Capital Stock of the Company, payable on the 12th day of August, 1933, on which date cheques will be mailed to Shareholders of record at the close of business on the 28th day of July, 1933.

Dated the 21st day of July, 1933.

I. McIVOR,
Assistant Treasurer.

The Bank of Toronto

Dividend No. 208

Notice is hereby given that a Dividend of Two and One-Half per cent. upon the Paid-up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its branches on and after the first day of September next, to shareholders of record on August fifteenth, 1933.

By Order of the Board.

H. B. HENWOOD,
General Manager.

NOTICES

The Ontario Municipal Board

Notice is hereby given that the Board of Trustees of The Roman Catholic Separate Schools for the Town of Riverside has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the 23rd day of June, 1933, and from and after the first publication of this Notice in the Ontario Gazette all actions or proceedings against the said Board are stayed and thereafter no action or other proceeding against the said Board shall be commenced or continued nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this 23rd day of June, A. D. 1933.

H. C. SMALL,
Secretary of The Ontario Municipal Board.

The Ontario Municipal Board

Notice is hereby given that the Board of Trustees of The Roman Catholic Separate Schools for the City of Windsor has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the 23rd day of June, 1933, and from and after the first publication of this notice in the Ontario Gazette all actions or proceedings against the said Board are stayed and thereafter no action or other proceeding against the said Board shall be commenced or continued nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this 23rd day of June, A.D., 1933.

H. C. SMALL,
Secretary of
The Ontario Municipal Board.

DIVIDEND NOTICES

Quebec Power Company

Notice is hereby given that a dividend of Twenty-five cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ended June 30th, payable August 15th, to shareholders of record July 26th, 1933.

By Order of the Board,

JAMES WILSON,
Secretary.

Montreal, July 19, 1933.

The Royal Bank of Canada

DIVIDEND NO. 184.

NOTICE is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Friday, the first day of September next, to shareholders of record at the close of business on the 31st day of July, 1933.

By order of the Board.

M. W. WILSON,
General Manager.

Montreal, Que., July 18, 1933.

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LIVING COSTS AT LOW POINT IN TEN YEARS

Reduced Rentals More Than Offset Increased Food Costs

STEADY DECLINE

High Point Was Reached on Jan. 1, 1930, Since When Each Month Has Shown a Decline

Current living costs in Canada are lower than at any time in the past decade despite a slight increase in food costs in many centres during the past few months, according to the weekly family budget compilation of the Department of Labor, prepared especially for The Financial Post. Reduction in rentals in almost all cities across the Dominion since the beginning of the year is responsible for the fact that the June 1 compilation reaches a new low point.

In the four years from 1926 to 1929 inclusive, the weekly family budget total, based on food, fuel and rent for a workingman with a family of five, remained practically level at between $22 and $21, the high point of the past decade being reached at January 1, 1930, when the total was $22.17. Since that time the trend has been steadily downward from month to month, reaching $15.41 at June 1, 1933.

Costs Vary Considerably

Data are compiled for 57 cities throughout the Dominion but unfortunately fuel costs are not comparable for this number so that the weekly budget totals are not comparable. Food and rent costs are, however, on a comparable basis so a comparison can be made using these two figures.

Food costs vary greatly through Canada, ranging from $5.75 weekly for a family of five in St. Hyacinthe to $7.92 per week in Nanaimo, B.C. Average rent costs also vary considerably, the low mark being set in Oshawa with $4, followed closely by Amherst with $4.13 and the high point in Halifax at $7.50.

Rentals of $4.75 per week added to the cheap food cost of $5.75 in St. Hyacinthe, giving a total of $10.50, make that town the cheapest one in Canada in which to live. This figure is considerably less than the totals for any of the leading cities, Montreal being $12.71, Toronto $13.44, Winnipeg $13.65 and Vancouver $12.38.

Leading Cities

Comparative data for food, fuel and rent are available for eight of the leading cities of the Dominion at June 1. Among these cities Vancouver is the cheapest with the lowest figure reached since this compilation was started and almost $1 below Montreal which is in second place. The spread between Vancouver, the cheapest, and Winnipeg, the dearest city, is one of $2.26.

Family Budget Costs In Eight Leading Cities

	June 1 1933 $	May 1 1933 $	Change $
Vancouver	14.48	14.91	—.43
Montreal	15.32	15.48	—.16
London	15.47	15.61	—.14
Windsor	15.54	15.49	+.05
Hamilton	15.57	15.83	—.26
Toronto	15.80	15.99	—.19
Ottawa	16.25	16.41	—.16
Winnipeg	16.74	16.81	—.07
Dom. average	15.41	15.57	—.16

Food and Rent Costs In Canadian Cities

	Food June 1 $	Food May 1 $	Change c.	Rent* June 1 $
Nova Scotia:				
Sydney	7.20	7.29	—9	4.88
New Glasgow	6.92	7.01	—9	5.00
Amherst	6.76	6.98	—22	4.13
Halifax	7.49	7.46	+3	7.50
Prince Edward Island:				
Charlottetown	6.75	6.95	—20	5.88
New Brunswick:				
Moncton	7.19	7.39	—20	6.50
Saint John	7.08	7.12	—4	6.00
Fredericton	7.25	7.22	+3	6.25
Quebec:				
Quebec	7.02	6.99	+3	6.25
Three Rivers	6.49	6.50	—1	5.13
Sherbrooke	6.38	6.49	—11	5.75
St. Hyacinthe	5.75	5.87	—12	4.75
St. John's	5.76	6.01	—25	5.38
Montreal	6.71	6.78	—7	6.00
Hull	6.51	6.34	+17	6.00
Ontario:				
Ottawa	6.94	7.02	—8	6.25
Kingston	6.30	6.41	—11	5.13
Belleville	6.33	6.30	+3	5.50
Peterborough	6.48	6.41	+7	5.75
Oshawa	6.88	6.68	+20	4.00
Toronto	7.19	7.24	—5	6.25
Niagara Falls	6.88	6.94	—6	5.63
St Catharines	6.79	7.01	—22	6.75
Hamilton	7.13	7.21	—8	6.25
Brantford	6.96	6.81	+15	5.88
Galt	7.02	6.87	+15	5.63
Guelph	6.78	6.63	+15	6.00
Kitchener	6.62	6.62	....	6.25
Woodstock	6.43	6.45	—2	6.00
Stratford	6.65	6.71	—6	6.25
London	6.49	6.56	—7	6.25
St. Thomas	6.89	6.91	—2	5.63
Chatham	6.44	6.55	—11	5.75
Windsor	6.78	6.73	+5	6.25
Sarnia	6.52	6.50	+2	6.00
Owen Sound	6.21	6.55	—34	5.50
North Bay	6.75	7.15	—40	....
Sudbury	6.87	7.19	—32	6.25
Cobalt	7.41	7.32	+10	5.50
S Ste. Marie	6.79	6.70	+9	4.63
Port Arthur	7.17	7.34	—17	6.00
Fort William	7.35	7.30	+5	6.00
Manitoba:				
Winnipeg	6.90	6.97	—7	6.75
Brandon	6.26	6.21	+5	5.63
Saskatchewan:				
Regina	6.74	6.62	+12	6.88
Prince Albert	6.63	6.52	+9	5.63
Saskatoon	6.50	6.45	+5	6.25
Moose Jaw	6.90	6.90	....	6.25
Alberta:				
Medicine Hat	6.73	6.66	+7	5.88
Edmonton	6.70	6.66	+4	6.50
Calgary	6.54	6.46	+8	6.00
Lethbridge	6.58	6.50	+8	5.50
British Columbia:				
Fernie	7.32	7.35	—3	4.50
N. W'minster	7.22	7.09	+13	4.38
Vancouver	7.38	7.18	+20	5.00
Victoria	7.78	7.80	—2	5.63
Nanaimo	7.92	7.86	+6	6.00
Dominion	6.84	6.86	—2	5.67

*Workingmen's six-roomed houses with modern conveniences.

Says Tariffs Have Helped British Industry Materially

The adoption of tariffs has greatly helped British industry, it was stated in the House of Common in London recently. Employment has now reached its highest point since 1930, it was said, there is a much healthier tone in industry than for a long time past, an improvement due not merely to leaving the gold standard.

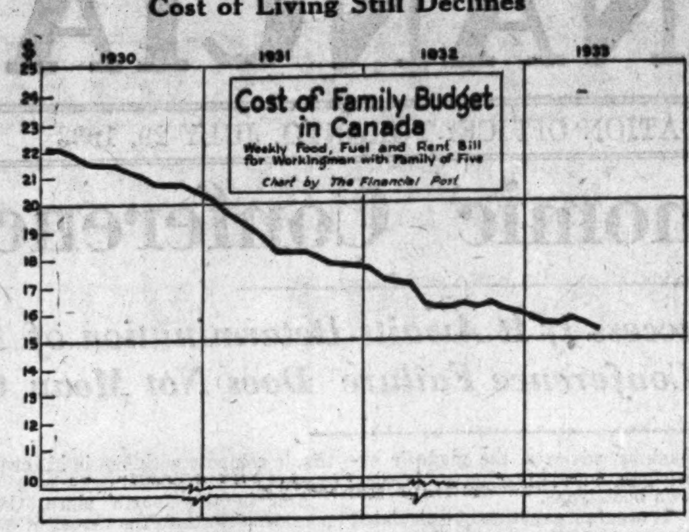
Up to March of this year, the adoption of tariffs has raised £24,000,000 in revenue. It has not impeded the import of raw materials or essential foodstuffs, but it has checked by 36 per cent the import of manufactures which could be made in the country.

Drop National Brick Stock

From Our Own Correspondent

MONTREAL.—Montreal Stock Exchange announced that the old no par value common and $50 par value 6 per cent cumulative redeemable preferred shares of the National Brick Co., of La Prairie, have been struck off the listing.

Cost of Living Still Declines



Although food costs have increased during the past few months in many centres the Department of Labour compilation of the family budget of the average workingman, based on weekly food, fuel and rent costs, continues to decline, the June 1 figure being the lowest ever recorded in this compilation, which goes back to 1913. Lower rentals and lower food costs have combined to reduce the total since the high point of January 1, 1930. Rentals have continued to fall during the past few months while food costs have begun to rise.

Adjusting Debt Burdens Ticklish Task for World

Fall of Price Levels Has Increased Real Burden of World's Debts—Problem is National as Well as International

By Staff Editor

LONDON.—How debtors are going to meet their obligations when these are stated in terms of older and higher price levels while their incomes are based on present price levels was one of the most ticklish problems before the World Economic Conference and one that the conference never really got around to.

There are two important phases of it. There is the problem of international indebtedness, how the debtor countries are going to be able to earn the money and raise the foreign exchange to meet governmental and private obligations represented by securities in the hands of residents of the larger creditor countries. And there is the problem of purely internal debts, how farmers and other producers who have been hardest hit by the decline in prices are going to meet their obligations on account of mortgages, bonds, etc.

Issue Avoided

The preparatory committee for the conference skimmed over this particular question, probably considering that when it discussed the general problems of the price level, of foreign exchange restrictions, of restimulating the flow of capital, it had covered the essentials of the tangle of indebtedness. The committee did urge that creditor countries should adopt policies that would finally place the debtor countries in a position to pay off their obligations in the form of goods and services. This obvious reference to high tariffs in countries like the United States merely touched upon one angle of the problem. It did not point a way to the deflation of the debts of private individuals, of business concerns or even of Governments.

The committee stressed the necessity of stimulating a restoration of confidence by "respect for undertakings entered into" and it stated that "only when, as a result of unforeseen circumstances, it has become impossible for contracts to be carried out in their entirety can an adjustment of obligations to the possibilities of the situation be effected."

Debtors Seek Relief

This did not go far enough for some of the smaller nations at the conference who find themselves virtually insolvent under present conditions. The chief delegate from Hungary urged that an international council be set up by creditor countries to adjust the debts of countries that found themselves, by reason of the fall in prices, unable to meet their obligations. The Roumanian delegation thought that debts should be adjusted to take account of the fall in prices of the principal exports of the debtors. Large scale conversion of foreign indebtedness in the light of the present day situation they thought necessary. The Turkish delegation did not think that artificial attempts to raise the level of prices, in order to adjust the equilibrium between debtors and creditors, would prove of much avail. The Roumanian delegation wound up by presenting a plan for international arbitration of all external debts of countries to bring these debts down to capacity to pay under present circumstances.

Creditors' Views

The creditor countries were not prepared to accept proposals that debts should all be written down to present price levels. Their representatives made it quite clear that they did not think investors should be asked to write down the value of their securities to the present price level when a general rise in world prices later might put the debtor countries in a position to meet all their obligations without difficulty.

Neville Chamberlain said definitely that the creditor countries expected the debtor countries to maintain internal financial stability and to exert every influence possible to meet their obligations. He was certain that an international arbitration board was an impracticable proposal. He felt that some machinery to promote settlements would be possible but it would have to be an advisory body only and each case would have to be treated on its merits.

French Want Tribunal

The French made it clear that they wanted no international board of arbitration to settle debts. Debtors should deal directly with their creditors. Stand-still agreements which lumped the good and the bad together were not satisfactory. In any event only temporary arrangements could be made. How could permanent arrangements be made when there was no stability in currencies? When currencies had finally been stabilized the settlement of debts would not be difficult to negotiate.

Debtor-Creditor Deadlock

It is quite obvious from this account of the discussions that took place here that there is something of a deadlock between the creditor countries and the debtor countries in regard to debt settlements. The debtor countries naturally want their debts written down as quickly as possible to present price levels and want such a settlement to be considered as fair to all parties and not in any sense default. But the creditor countries do not feel that they should make arrangements now that would relieve many countries of obligations that they could easily meet in the years to come if stability is once more restored in the world and prices come to rest at a higher level. The situation is analogous to that existing in Western Canada and in the long run will probably be settled the same way; by individual agreements between creditors and debtors.

It is of interest that the International Chamber of Commerce at its Vienna meeting urged the early adjustment of international long-term debts, which should not be left to "the unguided co-operation of debtors and creditors." They urged the establishment of a list of persons of recognized standing and competence whose mediation would be open to the parties concerned. As for short term debts they urged that these be largely converted into longer term debts and that in the future the tendency of countries to borrow on short term be curbed severely.

Debt Adjustment Urged

The nature of the problem of debts arising out of the calamitous fall in prices was very interestingly set forth by Dr. W. H. Coates, a British economist who is a vice-president of Imperial Chemical Industries and who prepared a lengthy report on the subject for the Vienna meeting of the International Chamber. He made it clear that the council of the International Chamber rejected the view that adjustment would finally come through a recovery of the old price level. He said: "There is no alternative but the adjustment of the monetary amount of all debt obligations. New machinery is necessary for this purpose to mediate between debtors and creditors."

Increase of Debt Recognized

Dr. Coates showed that the disastrous fall in the price level since 1929 has led to the further disharmony between the original intention of borrowers and lenders, and the conditions in which the contracts made between them must be executed. Loans effectuated through the transfer of goods and services at a level of prices far higher than that of today, have now to be liquidated or to bear their service of interest at a disastrously low price level. As a consequence, the real burden of payment has been increased in many cases by 40 per cent. Wherever these debts are of an international nature, so that the liquidation of the interest and any amortization of principle needs to be carried out through the export of goods, it is obvious that the volume of such goods to be transferred has expanded very largely. When, as in many cases, the export of these goods relates to commodities for which there is an inelastic demand, the pressure of the offer for sale accentuates the fall in the price level. Dr. Coates quoted the Canadian Minister of Trade and Commerce as saying: "Unless commodity prices are raised by some new monetary policy, the debt burdens, public and private, of Canada as well as of other countries are beyond hope of liquidation."

National and International Problem

This conflict between current prices and debt obligations is not only an international problem. It is also a national problem. Just as the disharmony between prices and debt obligations has constricted international trade so that disharmony as a national problem has constricted national trade. The phenomenon is plainest in the United States. There, in a country of 120 million inhabitants, where there are no internal barriers to trade, where there is no shortage of gold or of credit, where there is no problem of paying international debts, all the symptoms of the depression are to be found in full measure. The disharmony between debts and prices has wrecked the whole banking system of that country.

Internationally reliance has so far been placed upon negotiations between debtors and creditors. Dr. Coates did not think this was enough. Such negotiations only arise in cases where the debtor is in difficulties and finds it impossible to meet his obligations. If this is to be the only method followed, then we may assuredly look for a continuance of the crisis, said Dr. Coates. It is true that as the pressure of the depression grows, more and more of these negotiations will take place, but admittedly they will always be upon the footing of extracting the utmost from the debtor.

"In my view, a wider and more statesmanlike attitude is required. There is much truth in the ideal of a sanctity of contract but I would plead even a greater truth, namely, the sanctity of equity. When the fundamentals of the bargain have been so radically changed, can one reject the equity of adjustment by adhering strictly to the maxim that all contracts are sacred?"

Electric Washer Output Valued at $3,241,323

Seventeen factories in Canada manufactured or assembled washing machines during 1932. Production amounted to 53,190 in number and $3,241,323 in value at factory prices, including 5,220 hand machines at $68,695; 47,340 electric machines at $3,136,108 and 630 other power machines at $36,520.

Imports of domestic washing machines and parts during 1932 numbered 2,846 valued at $305,039 and imports of wringers and parts totalled $33,050 in value. The exports of washing machines and wringers were valued at $123,981.

MUNICIPAL MEN IN B. C. POLITICS TO GET REDRESS

Cities May Place Men in Legislature to Serve Interests

From Our Own Correspondent

VANCOUVER.—Not the least significant development in the political situation in British Columbia this year is the rise of a new group whose chief aim will be to obtain a better financial deal for the municipalities.

For several years the municipalities and the provincial government have been wrangling over a division of revenues, representatives of the cities contending that their allotment of revenues was inadequate and that the government had invaded sources of revenue that should be left exclusively for the cities. The longstanding dispute was brought to a climax this year when the government decided, in view of the need for greater economy, to slash the municipalities' share of liquor profits and parimutuel returns. In addition, the municipalities were saddled with increased financial burdens in connection with the maintenance of hospitals and other public institutions.

Municipalities Rebelled

The municipalities rebelled, and their voice was heard during the spring session of the legislature, but their pleas were unanswered. Now, the city councils claim, their only recourse is to politics and so, in several cities there will be candidates for election this fall whose sole platform is more revenue for the municipalities — a proceeding unparalleled in B. C. politics.

An independent political party composed entirely of city aldermen will contest seven Greater Vancouver seats at the election. They will be headed by Ald. J. H. Shinnick, who has been fighting the provincial government for its refusal to allow the city to tax alienated crown land and for the refusal of the government to bear a larger share in the cost of social services.

In Victoria the municipal candidates will probably include Mayor David Leeming. The municipal party will receive strong support from the Real Estate Exchange. The real estate interests, of course, have been grumbling because the provincial government's action in forcing higher costs on the municipalities has resulted in increasing the tax on land.

HALIFAX TRAFFIC EASIER LAST MONTH

Increase in Trans-Atlantic Trade is Feature This Year

From Our Own Correspondent

MONTREAL.—A total of 496 vessels entered and cleared the Port of Halifax during the past month. This compares with 528 for June, 1932, and 495 for June, 1931. The net registered tonnage is reported at 362,516 tons, compared with 465,325 and 532,516 tons in June, 1932 and 1931, respectively.

Since the beginning of the current year, the total number of vessels arriving and departing at the Port of Halifax is reported at 2,707 as against 2,755 for the same period of 1932 and 2,629 for the first half of 1931.

Total cargo tonnage handled inward and outward during June, 1933, is reported at 110,892 tons, compared to 124,316 tons in June last year and with 148,940 tons in June, 1931.

Smaller Tonnage Reported

For the first six months of 1933 cargo tonnage handled at the port amounted to 752,403 tons compared with 810,606 tons for 1932 and 861,862 tons for 1931.

While decreases are reported in the South American, West Indies, Newfoundland and coastwise trades, increases are reported in transatlantic, Asiatic and African. In this connection it is noted that the transatlantic cargo tonnage for the first five months of the year amounted to 224,013 tons, compared to 161,164 tons for the same period in 1932 and 124,113 tons for 1931.

NOTICE

The Ontario Municipal Board

NOTICE IS HEREBY GIVEN that the Board of Trustees of The Roman Catholic Separate Schools for the Town of La Salle has become subject to the provisions of Part VI of The Ontario Municipal Board Act, 1932, by an order of The Ontario Municipal Board bearing date the 23rd day of June, 1933, and from and after the first publication of this Notice in the Ontario Gazette all actions or proceedings against the said Board are stayed and thereafter no action or other proceeding against the said Board shall be commenced or continued nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this 23rd day of June, A.D., 1933.

H. C. Small,
"Secretary of The Ontario Municipal Board."

DIVIDEND NOTICES

Canadian Hydro-Electric Corporation Limited

Notice of Dividend on 6% Cumulative First Preferred Stock

Ottawa, Canada,
July 22, 1933.

The Board of Directors has declared a quarterly dividend of 1½% ($1.50 a share) on the shares of 6% Cumulative First Preferred Stock of the Corporation payable in cash September 1st, 1933, to holders of record of such stock at the close of business August 1st, 1933.

Cheques will be mailed. Stock transfer books will not close.

J. R. Binks,
Secretary.

Merland Oil Company Of Canada, Limited

Dividend No. 2

NOTICE IS HEREBY GIVEN that a dividend of Five (5) Cents per share has been declared upon the outstanding Capital Stock of the Company, payable on September 15th, 1933, to shareholders registered on the books of the Company on August 15th, 1933. Transfer books of the Company will be closed from August 15th to September 15th inclusive.

By order of the Board.

WM. R. SWEENY,
Secretary.

134 King St. E., Toronto,
24th July, 1933.

NEW ISSUE

$3,500,000

Province of Saskatchewan

Twenty-five Year 5% Sinking Fund Debentures

(Non-Callable)

Dated August 1, 1933 Due August 1, 1958

Principal and half-yearly interest (February 1 and August 1) payable in lawful money of Canada at The Royal Bank of Canada in the Cities of Toronto, Montreal, Saint John, Winnipeg, Regina or Vancouver. Coupon debentures in the denominations of $1,000 and $500, with provision for registration as to principal.

Legal Opinion: Messrs. Long & Daly.

These debentures are direct obligations of the Province of Saskatchewan, and are payable, principal and interest, out of the Consolidated Fund of the Province. They are exempt from Municipal and School Taxation in the Province of Saskatchewan, and are free from all Provincial Taxes and Succession Duties imposed by the Province.

An annual Sinking Fund of one per cent. will be established against this issue.

Information regarding the financial position of the Province will be found in the official circular which is available on request.

We offer these Debentures, if as and when issued and accepted by us, subject to the approval of Counsel. Subscriptions will be received subject to rejection or allotment in whole or in part, and the right is reserved to close subscription books at any time without notice.

It is expected that Debentures in interim form will be ready for delivery on or about August 10, 1933

PRICE: 89.50 and accrued interest, to yield 5.80%

The Royal Bank of Canada — Bank of Montreal — The Canadian Bank of Commerce
A. E. Ames & Co., Limited — The Dominion Securities Corporation Limited — Wood, Gundy & Company Limited
McLeod, Young, Weir & Co. Ltd. — Bell Gouinlock and Co. Ltd. — Fry, Mills Spence & Co. Ltd.
The Bank of Nova Scotia — Royal Securities Corporation Ltd. — R. A. Daly & Company Limited
Imperial Bank of Canada — Nesbitt, Thomson & Company Ltd. — Hanson Bros., Inc.
The Bank of Toronto — Cochran, Murray & Co., Limited — Midland Securities Corporation Limited
The Dominion Bank — Eastern Securities Co., Limited — Dyment, Anderson & Company
McTaggart, Hannaford, Birks & Gordon, Ltd. — Matthews & Company — Johnston & Ward
Collier, Norris & Henderson Limited — W. C. Pitfield & Company — Harrison & Company Limited
Flemming, Denton & Company — Drury & Company — Ernest Savard, Ltée
Griffis, Fairclough & Nosworthy Limited — Gairdner & Co., Limited — Mead & Co., Limited
J. L. Graham & Company — T. M. Bell & Co., Limited — L. G. Beaubien & Co., Limited

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Brazilian

I have held all through the depression 66 shares Brazilian Traction bought at 78.

Kindly give your opinion as to whether or not continued holding is advisable.

Your only chance to get back the money which you paid for Brazilian Traction in the first place is to hold over many years. The possibilities in a growing country like Brazil with enormous resources and quite a large and growing population are very great. Those possibilities cannot be made use of, however, until the country itself has recovered from its present situation. Its chief crop, coffee, is greatly overproduced and price received is too small to enable the country to establish sufficiently high balances abroad to permit it paying interest on all its own Government bonds let alone to permit other people to export money as they desire. When coffee prices begin to go up again, and Brazilian exchange is stronger, the prospects of Brazilian Traction being able to ship cash out of Brazil will be brighter, and that would allow the stock to go up.

Humberstone Shoe

I bought 40 shares Humberstone Shoe some years ago at $35 a share.

Humberstone Shoe has given quite a good account of itself both before and during the depression, when the severity of the depression is taken into consideration. The shoe business has been looking up considerably in 1933, and this company is understood to have had its share.

Walkers, Vinegars

Last week I sold fifty shares of Walkers at sixty and a half and invested the proceeds in one hundred shares of Canada Vinegars at twenty-four. In your opinion was this a good switch?

Your action in switching from Walkers to Canada Vinegars has been amply justified by the event. Current gossip is that inside interests sold much common stock in the 40's and switched into the preferred, which also has voting power. Despite the more encouraging outlook for Hiram Walker-Gooderham and Worts and other distillery stocks, this seems like a very high figure to pay for prospects of business that has as yet only begun to materialize.

Canada Vinegars has given a good account of itself during the depression, and has demonstrated its ability as a steady though not spectacular earner. The only danger, and that is one which cannot be foretold or foreseen, is that some other company, especially some powerful company that might want vinegar as a by-product, might start into the business. This company, however, has a good connection, and on its record deserves consideration.

Canadian Investors

Can you give me any information on Canadian Investors (this is a company organized by McLeod, Young, Weir and Company.) In view of the fact that it is not listed it is difficult to place any valuation on it. I held one hundred shares of the original stock which was put out at twenty-six dollars a share. Could you put a rough valuation on this stock?

There were 100,000 shares of no par value common stock of Canadian Investors Corp. outstanding on January 31, 1933. The equity per share was $6.92 and the asset shrinkage at that time was reported as 72.32 per cent, based on the difference of paid-in treasury capital $25 per share, and equities per share.

The earnings in the year ended January 31, 1933, amounted to 48 cents a share and 45 cents was paid. There has been some recent increase in asset value in recent months.

The majority of the stocks in the portfolio are still well regarded as to prospects.

North Star Oil

We would appreciate your opinion as to the investment or speculative possibilities of North Star Oil preferred?

The investment possibilities of North Star Oil preferred turn on whatever prospects may be through the year of increased purchasing power in the company's field throughout the provinces of Manitoba, Saskatchewan, Alberta and Ontario. If you consult the company's balance sheet for 1932 you will see that it shows among its current assets accounts receivable of $1,371,464 and that this is after a reserve for doubtful debts of $374,751. In regard to this reserve the auditors reported as follows:

"In view of the present business conditions in the territories served by the company, we are not satisfied that the reserve for doubtful debts is an adequate provision."

In view of the fact that the company's bills and accounts payable at the end of 1932 reached $1,936,910 and its inventories were $729,138, the company has some ticklish financing to do in case increased prices for farm products and the present crop do not increase purchasing power in Western Canada. Much depends on that. The company's record up to 1930 warrants considerable confidence in it. In 1932 net earnings available for preferred stock amounted to only 18 cents of the 35 cents a share needed. Under the present circumstances there is always the fear of dividends being stopped for a time until cash is stronger.

AN INVESTMENT returning you $100.00 for investing $78.12 for 5 years

Canada Permanent accumulative bonds with interest at 5% per annum compounded half-yearly offer an attractive opportunity for the safe and remunerative investment of sums large or small.

CANADA PERMANENT Mortgage Corporation

320 Bay Street, Toronto

Assets exceed $70,000,000

Simpson's Bonds

I hold some Simpson's Ltd. 6½ per cent bonds. What is the present situation?

Your Simpson's Limited bonds depend for interest on rentals paid to Simpson's Limited by Robert Simpson Company for a number of buildings it uses. These rentals are enough to pay the interest. The earnings of Simpson's Limited in 1932 were down considerably from the preceding year but this statement indicates that the position of the bonds with reference to payment of interest is stronger than was thought. Robert Simpson bonds and Robert Simpson preferred stock would naturally come first in division of assets if the company were in bankruptcy. But as the interest on Simpson's Ltd. bonds are an operating charge of the Robert Simpson Company, which operates all the stores, the position is strengthened.

It is understood that Simpson's stores have had better business during the first part of 1933 than had been expected. There is all the rest of the year to go before one knows what that experience will be and the period from August 31 to January 1 is most important from the standpoint of volume and profits as a rule. The improvement in commodity prices is to the advantage of the company as it stops losses on inventories.

Service Stations

Kindly give me what information you have and tell me how you view the purchase of Service Stations stock.

Service Stations has an excellent financial situation and the position looks all the better since assets were revalued in the recent reorganization. The balance sheet is thought now to give a very conservative view of the company's assets.

As to profitable business, however, that must await better general business conditions and especially the making of much more money by oil companies. The oil companies went out of the business of buying new equipment and expanding service stations when overproduction became so prominent in the United States. They have endeavored in the last few years with very low prices for all oil products in the United States to get along without new equipment wherever possible.

If more money is made, as expected, under the operation of the new United States oil code that should stimulate business for this company, which is financed to take quick advantage of a recovery. It is the intention under this code to limit expansion of drilling and production in order to maintain the higher prices suggested by the industry.

The business attained by Service Stations in 1928 and 1929 when there was very quick expansion of service stations cannot be expected. It will be more normal, however. The company has had good results in other lines than service station equipment, but that is the principal one.

Brewers and Distillers

What information have you regarding Brewers and Distillers Ltd.?

Would this stock be a good buy at present prices in view of the possible repeal of the 18th Amendment in the U. S. A.?

Brewers and Distillers has had a good financial experience in recent years. Earnings have been quite consistent, except in one year, 1931, when it was necessary to write down market valuation of liquor stocks to a considerable extent. That occasioned a loss.

The prospects of this company, which are exciting the market at present, relate principally to the possibility of increased business by the apparent trend of the United States toward reconstitution of the liquor traffic in strong liquors as well as in beer and wine. Until the United States distillers build up aged stocks of their own it is believed Canadian companies will have an excellent market there. Hitherto, votes of States have been in favor of repeal of the 18th Amendment.

There has to be a majority of 2/3 of the States, which means ¾ in favor. It may be late in 1934 before the last vote is taken and liquor people appear to expect the traffic to be in full sway in 1935. Others prophesy that it will begin in 1934, owing to the desire of both the Federal and State Governments to take advantage of the large taxation possible on this industry.

Tamblyn's

I would like your opinion regarding a modest purchase of Tamblyn's preferred stock.

The 7 per cent dividend on the $505,900 preferred redeemable stock of $100 par value of Tamblyn's was nearly four times in 1932 and this was true also in 1931, 1930 and 1929. The equity of this stock in 1932, based on total assets, less goodwill, current liabilities and mortgages, is shown at $222,047.

The company operates a total of 59 chain drug stores, 45 of which are in Toronto, five in Hamilton and one each in Guelph, Kitchener, Stratford, Brantford, London, St. Catharines, Windsor, Chatham and Ottawa. The company has no funded debt but at the end of 1932 had mortgages payable at $95,000. In 1930 sales dropped by about $100,000 to $3,760,796 and profits by nearly $50,000 to $137,941.

The company has given an excellent account of itself. It has been redeeming its preferred stock under the provision which provides 30 per cent of net earnings annually, after provision of cumulative dividends, income taxes, depreciation and reasonable administrative and operating expenses for the sinking fund for the purpose of redeeming preferred shares at call or by purchase. It was offered in 1928 and $700,000 issued. This has been reduced to $505,900 at the end of 1932 or nearly $40,000 on the average each year.

Burns Bonds

Would you be good enough to let me know what the future of Burns and Company 5½ per cent bonds, due 1948, is likely to be? A customer of ours has been advised to dispose of a $1,000 bond of Burns & Co., at the present price level.

Burns & Company have been having a very difficult time in the last few years. If they can keep the bonds in a good position as to assets of the company, even if interest is not paid, until there is an improvement in purchasing power in Western Canada, the bonds would have a good chance.

Canada Permanent

Would you please give me your opinion of Canada Permanent Mortgage Co. bonds paying 5 per cent compounded semi-annually as a safe investment?

Canada Permanent Mortgage Co., even after four years of depression and in spite of moratoria in Ontario and elsewhere, still shows a very strong financial position. With improved business conditions and increased purchasing power in country and city, which should be characteristic of a period of recovery, moratoria would probably disappear, and it would be of advantage to this and other companies in the business.

Pelissiers

Would you be good enough to give the latest information you have on Pelissiers Ltd., of Winnipeg?

I hold a few shares of the preferred stock of this company. It was until recently listed on the Toronto Curb but quotations have been missing from the local press for some time. Has it been withdrawn from trading or are there any sales at this time? Can this company legally export beer to the United States? Are they doing so?

Have they a reasonable chance of making progress?

Pelissiers, Limited, carries on a brewing business on freehold property in Winnipeg, Manitoba, where it is equipped for a brewing capacity of more than 200 barrels daily. The capacity could be increased by about 50 per cent for a relatively small expenditure, it is claimed.

The company has earned nothing on its preference shares since the year ended January 31, 1930, when it earned $13.12 a share and paid $7 a share. In the next year it earned nothing and paid $3.50. No payments have been made since that time.

Working capital at $64,293 is not very high, but current assets are 3.71 times current liabilities as shown in the balance sheet and may be sufficient for a company whose total assets are shown at $674,697 including $150,000 for licenses, trademarks and formulae.

At the annual meeting on March 21, 1933, T. C. Anderson, president, claimed that the plant was in better condition than at any time since formation of the company in 1927. The voting rights of the company are now in the hands of the preferred shareholders in view of the fact that dividends have not been paid for two years. They elected the same board of directors.

The company's inventories on January 31 last were only $63.655 and cash $7,503. It is rather difficult to assess its prospects. How much it is doing in the export field is not known but its chief chance of improvement would be on the return of prosperity to Manitoba.

Cockshutt and Bordens

What do you think of Cockshutt and Bordens stocks? Do you think this a good time to sell either of these stocks?

Naturally, the improvement in prices of commodities, especially of wheat and other farm products, is likely to be of advantage to Cockshutt if it is kept up. Cockshutt sales, however, in 1933, were made mainly in the spring and the rise in wheat prices occurred after that time. There is a great deal of fluctuation possible in the prices of these commodities and it is only the experience of farmers over a period and the translation of these prices into purchasing power which will improve the market for Cockshutt. When you have an exceedingly good active market for farm products, that would be the time to dispose of your Cockshutt to advantage. Over long periods of time, the company can expect to have fat and lean periods according to the purchasing power in farm districts.

Bordens had in the last year or two a considerable diminution of income mainly because of the destructive competition resulting from large quantities of additional milk seeking markets. Under the National Industrial Recovery Act, and the various arrangements made in the United States to govern the price situation and the production situation to some extent, there may be a better situation in the next year or so, if the new arrangement can be continued. The greatest help would be improvement in farm prices which would divert many people now sending milk into other lines.

Imperial Oil, Goodyear

I am interested in securing information on Imperial Oil common and Goodyear Tire common and preferred. Is the present quotation justified by earnings or is it in anticipation of future conditions?

In buying at the present time is there likely to be an appreciation as earnings come back on a normal basis?

Imperial Oil earnings on the common stock, which pays a dividend of 50c. a share, have declined yearly for the last four years until only 55c. a share was earned in 1932. The company is currently very busy in Canada but it earns only about 16c. of its dividend in Canada. The rest comes from operations of International Petroleum and other companies operating outside Canada. Recent increases in crude prices in Mid-Western States may help the position of International Petroleum which adjusts its prices with reference to Mid-continent prices.

Goodyear Tire common dividend is still being paid and, therefore, the preferred is well covered. The company's dividend policy will be related to earnings and go up and down as they fluctuate. Prospects are for increasing prices for tires as companies in the United States have increased their prices due to recent increases in raw rubber and cotton quotations.

Both companies are financially very strong.

Gen. Electric & Dredge

Will you give me your opinion on Canadian General Electric preferred and Canadian Dredge?

The Canadian General Electric preferred stock has a high investment reputation because the company is one of the leaders in its line, has excellent management and good affiliation. In a time of active business it would do much better than now.

Canadian Dredge preferred has its market following because over a number of years, it has given a pretty good performance. That stock is more or less dependent on earnings of the company derived from Government contracts. It is impossible for us to foretell what Government contracts will be over different years. That has to be decided by the Government itself each year according to its revenue and the necessities of the situation. If such a large project as St. Lawrence Waterways were to be started, it would help this company.

Tip Top Tailors

From the standpoint of a safe investment would you advise holding or selling Tip Top Tailor's stocks?

Although in 1932 Tip Top Tailors showed a loss after writing off more than $125,000 in depreciation its current strength was so strong that it was able to continue the preferred dividend of $93,510. There has been a quick decline of profits from $18.38 on the preferred stock and $1.11 on the common stock in 1930 to $7.91 on the preferred and nine cents a share on the common in 1931 and nothing on either in 1932.

The company's working capital was nearly $1,000,000 at the end of 1932 and the depression has lessened business. The hope is that in a period of recovery with larger volume established the company will be able to recover profits. It has able management and can be expected to take full advantage of anything favorable that develops in the general business situation.

Loblaw A or B

I would appreciate your advising as to whether or not you consider Loblaw A (or B) at present prices an attractive investment for a hold over a few years.

Loblaw Groceterias has maintained profits at quite a good level with regard to dividends paid throughout the depression. On account of the lower prices of commodities dollar value of sales was much lower. There is a possibility of commodity prices increasing and dollar values of sales may again show an increase. Even if the declines of the last four years have come to an end without a substantial increase that would eliminate losses through write-offs. Those close to the company express optimism that the good business of the last decade will continue and grow.

Consol. Industries

I have Consolidated Industries which I bought several years ago for $8. It is now about $1.50 or $2. What is the reason for this and would you advise to hold it?

Consolidated Industries made a very good showing up until 1931. Its radio business held up in an exceptional way. It then expanded into many lines, intending to use the same distributing organization for distributing refrigerators, electric clocks and other products. The continuance and deepening of the depression has prevented success from a profit standpoint in these ventures so far; the company has been concentrating recent efforts on adjusting its organization to the conditions produced by the depression. The falling in revenue is what led to the drop in the stock. Management is confident that the company will win through its troubles, but forthcoming report for year ended March 33, 1933, is expected to show a loss.

Brewers & Distillers

Kindly give me any information you may have regarding this stock, Brewers and Distillers of Vancouver. Also kindly give quotations highs and lows since it has been put on the market.

Brewers & Distillers of Vancouver has, on the whole, shown a good earnings position in recent years. The company shares the hope of other distillers that there will be big business for several years with the United States as soon as the liquor laws are finally repealed by vote of the various states. In four or five years, it is expected that the United States distillers will have put very large amounts of spirits into inventories and be able to put sufficiently matured stocks on the market. After that, competition would be keen. There is more business at present on account of relaxing of the laws permitting sale of liquors by drug stores on doctors' prescriptions.

Consol. Diversified

I am a shareholder in Consolidated Diversified Standard Securities, having exchanged under the reorganization plan a couple of years ago. What is the situation now? Has the company had an advantage from the increase in market value of many securities?

We are informed by the general manager of Consolidated Diversified Standard Securities, Ltd., that the net asset value of Consolidated Diversified Standard Securities as of December 31, 1932, was $18.73 a share of preference stock. On May 31 the net asset value back of each share of preferred was $25.95 and on June 30, the net asset value back of each share of preferred stock was $27.78. We have no information as to revenue through 1933. As market values have increased in most securities without being accompanied by dividend increases as yet this change in market value has probably not been accompanied by a corresponding improvement in revenue.

Provincial Paper Bonds

I was thinking of investing about $2,000 in bonds. My first requisite would be fair security. Do you think the bonds of Provincial Paper Mills would be fairly secure?

In 1932 Provincial Paper Co. earned its bond interest 2.57 times before depreciation and 2.15 times after depreciation. In the two preceding years this interest had been earned with even a larger surplus than in 1932.

In1933 to date, earnings have been ample to cover bond interest, The Financial Post is informed reliably. There has even in recent months been some appearance of improvement. It is not so much in actual business transacted as in prospects of new business as time goes on.

The bonds were first issued in 1927 and then amounted to $5,300,000 and at the end of 1932 the total was down to $3,874,500. The working capital is strong and the company is well managed.

Eastern Dairies

Would you be good enough to give me your opinion on the current position of Eastern Dairies?

Eastern Dairies, as you will see from the annual report for the past year, recently dispatched to the shareholders, has experienced a sharp falling off in earning power. This was attributed to the unsatisfactory situation in Toronto, Montreal and Winnipeg, where price wars limited the sale and earnings of such companies as Eastern Dairies. While efforts are being made to remedy conditions, the progress made so far has not been sufficient to warrant any undue optimism in regard to the current year's business.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

International Nickel

I have a considerable amount of International Nickel purchased at $19. Do you think it has good prospects of going much higher? I have heard it is considered generously priced at present market price. Are you of the opinion that this company will not be in a position to pay dividends on its common stock for a few years?

International Nickel at current prices is clearly discounting future earnings of the company but it is currently regarded as one of the stock market leaders of the future and given an improvement in general economic and industrial conditions should be one of the first to show higher earnings. It is inseparably tied with improved general conditions and over the long-term outlook has lost none of its old-time attractiveness. We would advise you to disregard the chaotic surges of the market if you are not urgently in need of dividends. There has been a definite improvement in the demand for the company's products in recent months and production has been stepped up accordingly. A profit is expected to be shown in the next quarterly report.

Con. Oil Royalties

Can you give me any information about Consolidated Oil Royalties and its sponsors, Messrs. Forbes & Co., Ltd., of Montreal? These preferred shares are sold around $12 each and pay 10 per cent dividend, the cheques being mailed monthly. I have never seen any market quotations on this issue and would like some information about the same.

It is impossible to give an analyzed opinion of the possibilities of Consolidated Oil Royalties. The nature of the company's earnings, based on interest in a fractional flow from wells frequently under proration and subject not only to economic influences, but also to intermittent production practically precludes any estimation of what earnings might be over a term that would return the capital invested. When these operations are in a foreign country, far removed from the watchful eye of the investor, some of the hazards are better understood.

It cannot be denied that in some cases the yield is high for a period and this attracts many investors. Another factor is that the marketability of this class of security is very low and marketability is an important factor in the selection of securities.

We are not able to give you any information on Forbes & Co. sponsoring Consolidated Oil Royalties as fiscal agents publish no statement.

Nordon Corp.

Could you give me a short report on Nordon Oil?

Nordon Corporation has not met with comemrcial success in its widespread geological and exploration programme although they have many thousands of acres leased in various prospective oil areas. Lacking funds they now operate by sharing their acreage with someone else to drill and more recently the drilling in Alberta on a new structure showed some promise, but it is too early to say what results will be. Other drilling in adjacent territory was unsatisfactory and the stock is selling largely on hopes rather than achievements.

PROFITS IN THE BOND MARKET

The senior securities of a number of the leading basic Canadian industries are selling at levels that fail to reflect the improved business conditions. The bonds of a number of these companies can be purchased to-day at a substantial discount and in our opinion offer an attractive opportunity to show market appreciation, as well as a decidedly attractive rate of income based on present day prices.

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B. C. LUMBERMEN LOOK FOR MARKETS IN U. S. A. AND U. K.

U. S. A. is Natural Market But Increased Share of U. K. Wanted

From Our Own Correspondent

VANCOUVER.—British Columbia lumbermen have been following closely the efforts of Prime Minister Bennett to obtain protection in the British market for Canadian lumber in competition with the Soviet product.

Removal of the ban on Russian lumber places the British Columbia industry in substantially the same position as it was before the embargo was enforced, as during the embargo period there was such brief opportunity to extend sales in Britain that the mills here will lose virtually nothing.

The majority of lumbermen realize that they could not possibly replace Russia in the British market anyway and that the best they could expect would be substantially increased share of the business.

U. K. Business

Shipments to the United Kingdom from British Columbia in past years have averaged around 40,000,000 feet a year. To attempt filling the British annual requirements of some 700,000,000 feet would be out of the question; but to increase the annual orders to, say, 100,000,000 feet is not regarded as visionary, and the accomplishment would go a long way toward speeding the recovery of the lumber out here—a recovery which is happily already well under way.

The lumber and shingle industry is continuing to evidence keen interest in the United States situation and the likelihood of a modification of that country's present tariff policy. The United States is still regarded as the logical outlet for British Columbia lumber and while the tariff has severely curtailed shipments to the States, there has been a fairly good movement due to depreciated currency and there is hope of a tremendous revival of the business as soon as the duties are relaxed.

The new industrial control policy of the Roosevelt administration which enforces a code of wages and working conditions for United States lumber manufacturers is now being studied, for it is realized that if an attempt is made to sell extensively in the United States, the industry here will have to adopt a similar code so as not to prejudice its position. Actually the industry here has forestalled any such demand from Washington by increasing wages, although further concessions may have to be made.

Meanwhile the market in Canada for B.C. lumber has materially improved. Retail yards on the prairies and in Ontario have bought fairly heavily in anticipation of heavy demand in the fall.

Weekly Bank Clearings

	July 20 1933 $	Change year ago %	July 13 1933 $
Toronto	152,436,575	+70.2	116,622,954
Montreal ..	121,018,024	+42.0	103,399,543
Halifax	2,069,385	—11.0	2,402,058
Saint John .	1,663,129	—6.4	1,544,282
Sherbrooke .	615,224	+6.3	517,786
Quebec	4,263,889	+11.0	4,032,335
Ottawa	4,088,054	+4.3	3,950,581
Peterboro' .	686,440	+16.6	741,080
Hamilton ..	4,909,920	+25.1	3,786,705
Kitchener ..	1,122,243	+9.4	908,689
Kingston ..	644,534	+15.2	578,309
Brantford ..	844,970	+17.6	902,242
London	3,235,540	+35.0	2,239,315
Chatham ...	519,427	+36.1	478,008
Windsor ...	2,772,207	+12.2	2,452,755
Sarnia	423,524	—7.5	450,754
Sudbury ...	579,314	+22.0	554,266
Moncton ...	616,958	—0.9	588,131
Ft. William .	590,869	—14.9	516,959
Winnipeg ..	93,076,200	+180.6	57,621,832
Regina	3,845,847	+65.8	3,625,161
Moose Jaw..	510,296	—1.9	417,736
Saskatoon .	1,239,940	+2.1	1,207,149
Pr. Albert .	261,633	+15.4	246,460
Edmonton ..	3,487,336	+6.6	3,235,642
Calgary ...	6,720,823	+60.5	6,294,668
Lethbridge .	360,882	+16.9	357,615
Vancouver ..	16,346,596	+30.9	12,168,639
Victoria	1,670,991	+12.3	1,481,982
N. W'minster	440,061	+0.6	451,684
Brandon ...	316,800	—7.0	325,254
Medicine Hat	185,156	+20.1	202,220

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Wheat

From Our Grain Correspondent

McFarland's Bear Position

THE wheat market is in a highly chastened mood this week, after the spectacular crash of prices last week, followed by partial recovery. All eyes are now fixed on Liverpool, and attention concentrated on the amount of export buying brought into the market. Chicago, for the present at least, may go its own way, and determine whatever level of prices suits conditions in that country.

No longer is the Government position in the Winnipeg market regarded as a lever which is to force up prices in Canada until customers abroad will be compelled to pay us at the rate of a dollar a bushel for wheat. Rather, for the moment, it becomes, in the eyes of traders, an influence which will prevent our prices once again getting so far out of line with other markets as was the case before the drop. If a day passes without some substantial sales for export it will be regarded as a danger signal that may result in increased Government selling in order to get our prices back in line.

* * *

Broomhall's Export Estimates

MR. BROOMHALL'S allotment of probable exports for the coming year gives Canada 256,000,000 bushels. But he allots 40,000,000 bushels to the United States, a figure that under present conditions could hardly be reached, and that would require a considerable recession of prices in that country. For the Danube and Northern Africa he gives only 40,000,000 bushels, and as yet allots nothing to Russia, so the Canadian quota would not necessarily be increased by failure of the United States to come up to the figure set. The suggested figure for Australia, 120,000,000 bushels, might well prove to be too high, should the crop there be extremely short, while 144,000,000 allowed to the Argentine represents the production of an average crop. His estimates give Canada 45 per cent of the world export trade in wheat for the coming year.

Canada's export surplus from this year's production will presumably fall short of 200,000,000 bushels, which will mean some necessary inroads on the carryover of this country. But as that carryover cannot be far short of 200,000,000 bushels, it is evident that the end of another crop year is likely to see this country with a substantial reserve of wheat still in hand.

Must Cut Wheat Carry-over To Maintain Present Prices

The relationship between the size of the world wheat carryover and wheat prices is pointed out in the current weekly letter of the Searle Grain Co. It is explained that wheat has now risen to approximately the same level as in pre-war years and that exchange conditions are on the same basis as at that time. The world carryover, however, is 350,000,000 greater than at that time.

For prices to remain at the present level, it is stated, this excess surplus of 350,000,000 bushels will have to be wiped out by the results of the current crops throughout the world. It appears that both United States and Canada will contribute their share to the reduction of this surplus so it now remains for the southern hemisphere to report poor crops and the situation will be corrected.

Unless this excess surplus is wiped out, the Searle Grain Co. believes that the present prices will not hold, while, if more than this amount is accounted for an increase in price is probable.

Australia Will Not Consider Wheat Output Reduction

Australia's action in definitely refusing to become associated with any scheme to reduce wheat production makes the possibility of successful completion of any such agreement more remote than ever.

Speaking in London before the Economic Conference on July 21, Stanley M. Bruce, Australian delegate stated that his country would not associate itself with any scheme for the reduction of any commodity. He said, however, that in some countries where there was an extremely large surplus of any commodity, limitation of production might prove to be the only remedy.

Alberta Government May Distribute Twine

Due to complaints of Alberta Retail Merchants' Association with regard to distribution of binder twine to farmers, a despatch states that the Government is considering the advisability of establishing depots throughout the province for distribution. The retail merchants have large sums owing for binder twine and say they are losing money in distributing it.

Fewer Failures Reported Liabilities Also Lower

Liabilities of assignors under the Bankruptcy and Winding Up Acts amounted to $3,022,466 in April compared with $3,170,679 in April a year ago and $3,380,672 in March this year.

The number of failures was also less, there being 184 in April campared with 192 in March and 190 in April a year ago.

Trading establishments provided the bulk of failures, 100 of the total being engaged in that business. Thirty-seven manufacturing concerns assigned, 6 agriculturists and 19 service establishments. There were also three failures in construction, two in transportation and one in finance.

Grain and Milling in Canada

Many Factors Combined To Break Wheat Price

Winnipeg Followed Chicago as U. S. A. Farmers Liquidated Grain Stocks at Over $1.00 a Bushel — Stop Loss Orders Did the Rest

From Our Own Correspondent

WINNIPEG — Causes of last week's collapse in grain prices at Winnipeg must be sought in events having their source outside of Canada. Immediately of course was the fall in prices at Chicago, which went down farther and faster than those at Winnipeg, until the Chicago market had to be closed, nominally to let clerical forces catch up with their work, but actually to afford breathing time in order to avert complete demoralization.

The rise in grain prices, it will be remembered, seemed in the first place to have its origin largely in anticipation in the fall in the sterling value of United States and Canadian dollars. Once under way, buying based on the reduced North American grain production this year shifted the base of the advance from finance to grain prospects, and carried both Chicago and Winnipeg so far out of line with prices in other centres that the exchange situation was no longer the dominant factor. Nevertheless the prospect of any sudden change in the exchange ratio might well have become the signal for extensive liquidation in commodity markets on this side, with a grain price movement again anticipating developments in the international money market.

Market Was Vulnerable

But, leaving aside questions of international finance, a state of affairs developed in grain markets which made the price structure vulnerable, and a number of forces suddenly swung into combination toward lower prices.

To begin with the technical structure of the market was weak, with speculative holdings of futures pyramided and pyramided again, and sustained by narrow margins. Stop loss orders were bound to be touched off by a comparatively small decline, so that when such a decline came, a fairly substantial reaction was due. But the smash that occurred was much greater than could be accounted for by such reasons.

Alcoholic Poisoning

The grain market, like the stock market, had had an acute dose of alcoholic poisoning. Imminence of repeal of prohibition, and the prospect that within a few months distilleries would be turning grain into alcohol brought exaggerated ideas as to the profits to be made both out of the distilling machinery and the grain to be distilled. Rye and barley soared in price, to the point where cargoes of grain were imported both from Canada and from the Argentine, and quotations were seriously made on cargoes to be shipped from Europe.

Barley has a duty of only 20 cents a bushel, and rye of only 15 cents, so the check from possible imports was much sharper than in the case of wheat. True, on any full effect of depreciation in the grain that might be imported, the United States dollar might be felt, that depreciation, plus the duty, represented the full possibility of holding prices above levels in other markets. The reaction in distillery grains, which accompanied that in distillery stocks, exercised an influence on the wheat market out of proportion to the comparative importance of these grains.

Worst Blow From Corn

But it was from corn that the wheat market suffered its severest blow. Corn promises to be a short crop, but comparatively not nearly so short as wheat. Used, as it is, mainly as a feed for livestock, there is a tremendous possible variation in the demand, for it is fed on the farms on which it is produced, and the corn belt farmers either buy cattle to consume it, or buy or raise hogs for the same purpose. But whenever they can make more money by selling corn than it appears likely they can make by feeding livestock, they are quite content to sell it, and avoid the trouble and the risk of feeding livestock, while the latter may be slaughtered.

As corn prices rose, those phenomena developed. Livestock were sent to the slaughterhouse, and the farmers gave up their feeding plans, and consigned corn markets that were never intended to receive it. This strain on storage space severely handicapped the cash wheat market in providing for wheat.

Processing Tax

The processing tax on wheat suddenly shifted its character from a bullish to a bearish influence. When the imposition of that 30-cent tax on wheat became imminent, there was a tremendous stimulation of the business of milling, as purchasers sought to accumulate stocks of flour before the tax should take effect in raising flour prices. Even after the tax was imposed on July 9th, the milling demand kept on, as rising wheat prices threatened even greater increases in the price of flour. The milling demand for wheat suddenly fell off when flour purchasers retired from the market until they should have time to consume supplies bought in anticipation of the tax and of a price rise.

In a domestic market, such as that of the United States has become, the price must establish itself at a level that will insure a balance between supplies offered and actual consumption. If, say, $1.50 per bushel represents the upper limit of price that consumers will pay without seriously cutting down consumption by switching to other foods, and the price of flour gets to that basis, the farmer must either sell his wheat at $1.20 or see some of his market disappear.

Farmers Selling

Perhaps the most important fact in checking the price rise was the farmer's opinion as to prices, and that may prove, as prices reach some degree of stability, the most important factor in checking their fall. The farmer found wheat prices above $1 a bushel so satisfactory that he proceeded to sell both his old supplies and wheat from the new crop just as fast as he could get it to market.

Undoubtedly large quantities must remain on farms for many months, and the upper limit on possible prices is to be found in a price that will not persuade farmers to market wheat faster than it is consumed during the next few months. But it appeared that prices far above a dollar were entirely too good not to be accepted, and both new wheat and old was put forward until no one knew where to put it.

Farm Buying Power Makes Big Gain

Farmers' purchasing power has increased to 87 per cent of what it was in 1913-14 as compared with 54 per cent a month ago, according to a compilation made by the Searle Grain Co. In this, compilation, the price of wheat is compared with the prices of things farmers buy, basic indices of 1913-14 equal 100 being used.

At July 17, the index of things farmers buy was 126 while the wheat price index had passed the 100 mark. The improvement from the previous month is entirely due to the rise in the price of wheat, the "things-farmers-buy" index remaining at the same figure. Clothing and household equipment have each fallen two per cent while food costs are four per cent higher.

British Wheat Acreage May Expand 50 Per Cent

U. S. Body Makes Exhaustive Analysis of New U. K. Policy—Is "Spearhead" of Planned Agricultural Economy

Probability that a 50 per cent expansion in wheat acreage within the next few years will accrue from the institution of the new and radical wheat policy by Great Britain in 1932, is forecast in a comprehensive study of the new British wheat policy and regulations made by the Food Research Institute of Stanford University, California, and published this month.

Much has been heard in Canada of the duty of 2s. per quarter on foreign wheat entering the United Kingdom which was imposed subsequent to the Imperial Conference at Ottawa last year. Little, however, is known in Canada of an equally significant scheme to encourage wheat growing in the United Kingdom and stabilize prices for that commodity as far as domestic growers are concerned.

Purpose of New Law

This plan, legislation for which was embodied in what is known as the Wheat Act, became law in May, 1932. Its primary object is "to secure to growers of home grown millable wheat a standard price and a market therefor." An attempt has been made to achieve this by resort either to fixing a minimum market price or to the purchase of wheat by governmental agency at the risk of the public exchequer. Instead an ingenious but complicated scheme has been adopted which provides

(1) For distributing a bonus, bounty or price supplement to growers in proportion to their sales of millable wheat, sufficient to bring the average "farm price" of such wheat up to a standard price initially fixed at 10s. per cwt.

(2) For raising the required funds by a levy on flour, British milled or imported, as delivered for consumption.

(3) For the establishment of two new agencies, a Wheat Commission and a Flour Millers' Corporation.

Involves Large Sum

Commenting on the operation of the new Act in its first year, the Stanford report indicates that it is definitely succeeding in its primary object of giving substantial financial aid to distressed British farmers who grow wheat. In the first year of operation the distribution from the Wheat Fund, it is said, is likely to be around £4½ million and to represent a supplement of some 90 per cent to the British farmer's cash receipts on wheat sales. On the average this means over £50 per wheat grower.

If the maximum quantity of millable wheat on which an average price of 10s. per cwt. is guaranteed, should be reached in 1933-34 or in 1934-35, the farmer's cash returns from wheat will approach or exceed £13½ million, it is believed, or probably three times as much as at their low point in 1931-32. Of this total the subsidy is expected to contribute something approaching one-half. Net income, however, will probably not increase as much as these figures suggest for in part wheat income will replace income from other crops displaced by wheat. Since wheat is so small a factor in British agriculture, the net addition to farmers' net income in Great Britain, resulting from the wheat measure is expected not to exceed 5 per cent of the total.

Acreage Increasing

As to its effect on wheat acreage and production in Great Britain, the survey records that the decline in wheat growing and in arable cultivation is already being achieved, while indications point to a definite increase in acreage in the near future. According to a survey by agricultural economists at Cambridge, on some hundreds of farms in the eastern counties, a 30 per cent increase in wheat planting from the low level of 1931 was indicated at the end of last year. The official report of intentions for autumn sowing, according to the survey, indicated an increase of 17 per cent for 1933 over the 1932 acreage. Much of this increase it is felt will be at the expense of other crops, including sugar beets, barley and oats.

Effect on Yield

The present standard price for wheat under the new Act, is predicated on a maximum yield in U. K. of 27 million cwt. of millable wheat and Stanford experts believe that the wheat acreage will expand at least to the level that will be expected to yield this quantity of wheat. However, it is pointed out that if on the average 85 per cent of the crop will be sold as millable, a millable supply of 27 million cwt. would correspond to a crop of about 59 million bushels, which at current average yields would represent the outturn from an additional 1.8 million acres. Such a crop would be larger than the average of the 1930-32 crops by 18 million bushels, or 44 per cent. The survey then continues:

"Subject to correction by experience, we now are disposed to think that the expansion attributable to the Act as it stands will run at least this high and probably somewhat higher.

"A 50 per cent expansion of wheat acreage over the average for 1930-32 would mean a total of about two million acres. The wheat acreage of Great Britain (i.e., exclusive of Ireland) was approximately this large in 1898 and 1899, 1916 and 1917, 1921 and 1922, and exceeded it in 1915, 1918 and 1919. Except under the war stimulus, however, it has not significantly exceeded this level since 1892; but at its maximum, in the middle of the nineteenth century, the wheat area of Great Britain may have been nearly twice as large."

Effect on World

Summarizing generally the effects of the new British wheat policy, the survey expresses the belief that as far as the measures now in force are concerned, the effect on the world wheat situation is of minor, not major, proportions, and is much less than if any one of several other proposed measures had been adopted. It points out that the Wheat Act in its present form may add, on the average, some 18 or 20 million bushels (or more) a year to effective wheat supplies and while this is not a large item in relation to the total volume of international trade, "it could not be called negligible if it should mean a reduction of 8 or 10 per cent in British wheat imports."

"If the duty on wheat will not be raised and no limitations will be placed upon wheat imports, and if also the encouragement to British wheat growers will not be increased, we may expect the new British wheat policy to continue of minor importance to the world wheat situation. It does not promise materially to restrict wheat consumption in Great Britain, or in important degree to increase wheat production there, as high tariffs and milling quotas have done in several countries of Continental Europe and elsewhere.

"It interferes in relatively slight degree with the course of international trade in wheat. It will exert little influence on the amount of wheat stocks carried in Great Britain, as changeable tariffs and other regulations elsewhere have done and are doing, and as milling and import quotas would probably have done if they had been adopted in the United Kingdom. By leaving the grain trade free to perform its usual functions, the policy permits world wheat marketing to proceed more smoothly than if a gigantic wheat import board—better adapted to periods of extreme scarcity than to one of large surplus—had been put in control."

"Spearhead" of New Policy

Of significance, however, in the opinion of this survey, is the fact that adoption of the new wheat policy is probably the "spearhead" of a radically new policy of support to British agriculture in practically all its phases. Thus while devised to meet critical conditions, it is not in form an emergency policy, and although it may be changed to meet the changing situation it is evidently designed to endure.

"The wheat programme itself is so much more moderate than those commonly adopted in other countries that its influence, by way of example, might seem to be in the direction of moderating trade barriers of various kinds and thus aiding in the solution of the world wheat problem. Yet the new policy of which it forms a part represents the adoption by Great Britain of a course full of trade regulations and restrictions, under public control.

"There is inherent conflict between the principle of a planned national agriculture and reasonable freedom of international trade, with or without specific agreements with individual countries. The United Kingdom has therefore embarked upon a socio-economic experiment of major proportions, completely at variance with the principles of national economic policy to which she adhered so long with remarkable success. Whether the new agricultural policy will prove workable and appropriate in the world of today, or a great stride in a false direction, or the first of a series of experiments toward a new order, better or worse, it remains for history to tell."

The study is named "Britain's New Wheat Policy in Perspective" and can be obtained from the Food Research Institute, Stanford University, California. Price $1.

Winnipeg Grain Prices

Week to July 25

Crop year from Aug. 1, 1932 High	Low		Open July 19	High for week	Low for week	Close July 25
		Wheat				
.95¾	.43¾	July	.93½	.93½	.72	.81¼
.98	.46⅝	October	.97	.97	.68	.82¾
.99¾	.65	December	.99	.99	.72	.84⅞
1.04	.76	May	1.02	1.02⅛	.76	.88⅞
.46⅞	.21½	July	.46⅛	.46⅜	.32½	.38½
.48½	.21⅞	October	.46	.48½	.32	.39½
.52¾	.28½	December	.47½	.48⅝	.32¾	.38⅝
.52¾	.33	May	.51¾	.51¾	.33	.43¾
.64⅛	.26	July	.....	.57½	.43	.50½
.70	.27¼	October	.67	.67½	.43	.52⅝
.71	.39⅝	December	.69½	.69½	.44	.54⅞
.72½	.46½	May	.71½	.72	.46½	.55
1.91⅞	.71⅝	July	1.80⅝	1.80⅝	1.34	1.53
1.98	.76	October	1.93½	1.93½	1.30	1.53½
1.98½	1.22½	December	1.91	1.91½	1.25	1.52
1.99	1.40	May	1.91	1.91	1.40	1.56¾
.84	.31	July	.....	.77½	.50	.56¼
.89	.34	October	.86	.86	.43	.58½
.90½	.52⅛	December	.86	.87	.46	.60
.94	.60¼	May	.88	.90	.60¼	.63½

FEELING ABROAD THAT GOVERNMENT HAS BEEN SELLING

But Wheat Holding Again at Former Level on New Purchases

From Our Own Correspondent

WINNIPEG—What the Canadian Government agency has been doing in the wheat market is a matter of much enquiry but of little definite information. The general impression, however, among close observers of the market was that comparatively little selling had been done up to within the last few days. Accepting the figure of 150,000,000 bushels as representing the maximum of the government holdings of futures at any one time, it was thought that this might have been gradually reduced until possibly from 110,000,000 to 120,000,000 bushels were held when May wheat first touched the dollar mark.

Rapid unloading of some millions of bushels was credited to the agency during a few days which preceded the break, when the Winnipeg market, although still very strong, advanced very slowly in comparison with Chicago. Indeed the rate at which prices advanced afforded about the only means of guessing at what the government agency was doing. Its transactions are put through brokers, and it is presumed, many different brokers. But when prices were advancing, they went up so rapidly that it seemed impossible that the government agency should not be encouraging the rise by withholding sales.

Buy Back Futures

After the break it appeared that the government agency must have bought back many million bushels of future; at first, it seemed, with the object of steadying the market around 80 cents for the October future. Some export orders were caught by the market on the way down, more than there had been for a long time, but their volume was slight in comparison with the liquidation, and most of the time the government was credited with being the only purchaser.

Saturday morning, July 22, for example, it appeared that government buying was withheld for the first few minutes, possibly in order to see what the market would do, and opening sales were made at from ten to eleven cents lower than the day before. Then it seemed that supporting buying commenced in volume, and October was kept close to the 75 cent mark.

Again Hold Half

The government buying was on such a scale as probably to establish this agency once again as the holder of much more than half of the outstanding wheat futures. Perhaps it holds about the same quantity as when wheat was formerly at these levels. In the meantime some considerable quantities have been sold at much higher prices, and bought back at much less than sale prices, so the agency may have some considerable market profits to its credit since wheat was last at present levels, even if it is not much nearer to being out of the market.

WHEAT PROSPECTS NEAR 70 PER CENT

Some Districts Still Give Promise of Good Yields

Continued uncertainty as to the prospects of crops on the Prairies is noted in the weekly telegraphic report of the Dominion Bureau of Statistics dated July 25. The unsatisfactory conditions are regional, however, and the effect on the whole wheat crop will depend on the acreage affected.

Staff inspectors' and correspondents' reports would indicate western wheat prospects about 65 to 70 per cent of an average crop, the report states.

Manitoba crops are best in the west-centre and north. Southern areas suffered severely in June and subsequent rainfall, although more plentiful, has not effected a recovery. Growth is well advanced and harvest will be early. Some cutting will be done this week.

Saskatchewan prospects are decidedly mixed and the ultimate harvest cannot yet be placed within narrow limits. Crops are still of near average promise on a fairly large acreage mostly east of Moose Jaw, in the Carrot River Valley and in some northeastern districts. Some extreme southern districts and a widespread western territory are drought stricken beyond any possibility of recovery.

In Alberta promising grain crops are found on the Foremost line, in the Blindman Valley, in a considerable territory branching in all directions from Edmonton and in the Grande Prairie district. Light crops will be harvested on the Lethbridge, Macleod and Aldersyde lines and fairly generally in the whole territory east of Calgary and Edmonton line and between the main of the two railway companies.

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Insurance for Buyer and Seller

JUNE LIFE SALES BEST THIS YEAR FIGURES REVEAL

But Customary Seasonal Increase Not Achieved in Canada

Sales of ordinary life insurance in June as officially announced this week by the Life Insurance Sales Research Bureau confirm reports from individual companies and published last week in The Financial Post that business was improving June sales were about $2,000,000 higher than the previous month's figures and were the largest reported this year to date in any month. They failed, however, to make the substantial gain customary at this time of year.

Actual sales for the month in Canada and Newfoundland as reported by 14 companies having in force 83 per cent of the total business in force were $32,398,000. The corresponding figure for May of this year was $30,497,000 while sales in June, 1932, were $40,963,000. The decrease for June as compared with a year ago was 20.9 per cent.

Nova Scotia Best

For the first six months of the year sales are lower by 18.5 per cent. The decline by provinces ranges from 9 per cent in Nova Scotia to 26 per cent in Alberta. Banner province Ontario shows sales lower by 20 per cent in the six-month period while Quebec, second ranking province is down 18 per cent.

Analysis of June, 1933, figures by areas shows Prince Edward Island and Newfoundland to have actually improved sales as compared with June, 1932. Other areas show declines ranging from 10 per cent in British Columbia to 34 per cent in Alberta. Of the larger areas, Quebec shows a rather substantial decline of 27 per cent. June sales were down 18 per cent compared with the same month a year ago.

Comparative Figures

Comparative sales figures for June and for the first six months of the year follow:

Ordinary Life Insurance Sales
First Six Months

	1933 $	1932 $	Change %
Alberta ...	7,109,000	9,605,000	—26.0
B. C.	11,562,000	13,073,000	—11.6
Manitoba .	10,438,000	12,155,000	—14.1
N. B.	4,320,000	5,221,000	—17.3
N. S.	6,386,000	7,034,000	—9.2
Ontario ...	75,813,000	94,731,000	—20.0
P. E. I. ...	518,000	584,000	—11.3
Quebec ...	54,607,000	66,552,000	—18.0
Sask.	6,101,000	8,138,000	—25.0
Nfld.	1,264,000	1,440,000	—12.2
Total	178,118,000	218,533,000	—18.5

	1933 $	1932 $	Change %
Alberta ...	1,157,000	1,759,000	—34.2
B. C.	2,134,000	2,378,000	—10.3
Manitoba .	1,958,000	2,394,000	—18.2
N. B.	743,000	836,000	—11.1
N. S.	1,039,000	1,350,000	—23.0
Ontario ...	14,140,000	17,258,000	—18.1
P. E. I. ...	118,000	56,000	+110.7
Quebec ...	9,579,000	13,116,000	—27.0
Sask.	1,286,000	1,597,000	—19.5
Nfld.	244,000	219,000	+11.4
Total	32,398,000	40,963,000	—20.9

U. S. Gains Steadily

Comparative figures from the United States show an almost similar trend. June sales of ordinary insurance were the largest of any month this year and were 11.7 per cent less than the same month a year ago. New ordinary business sold in the first six months of the year is 21.5 per cent less than in the same period of 1932. As compared with corresponding months of 1932, ordinary life insurance sales in the United States have shown steady improvement in each succeeding month. Industrial business for June in the U. S. was only 7 per cent behind the same figure for 1932, while group sales were lower by 14 per cent as against a decline of 54 per cent the previous year and almost 80 per cent in January.

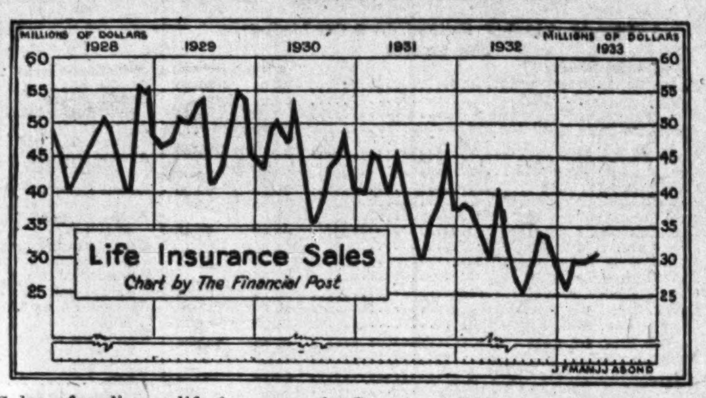
No Rate Revision For Plate Glass Thought Likely

There is little likelihood that any change in the tariff plate glass insurance rates in Canada will follow the revision of the National Bureau of Casualty & Surety Underwriters in the United States, The Financial Post is informed by insurance officials.

Plate glass rates were revised early this year in Canada, the chief changes being a reduction in Ontario and increases in Cape Breton and Vancouver districts. Experience is said to justify the reductions in Ontario while the Vancouver rates were boosted to bring the rates into line with non-tariff competitors.

Racketeering and labor troubles are responsible for some large increases in the United States, Chicago rates being boosted about 65 per cent for the former reason and Cleveland rates being doubled in certain sections for the latter cause. In certain sections reductions have been introduced as experience warrants while many other increases are included in the new U. S. manual.

June Life Sales Best This Year



Sales of ordinary life insurance in Canada and Newfoundland by companies reporting to the Sales Research Bureau have shown steady improvement since February of this year. June figures, although failing to show the spectacular seasonal rise of last year, are higher than in any month since December, 1932.

Decline in Fire Losses Continues in First Half

Fire losses in Canada continue to show improvement, according to latest figures available to The Financial Post.

Typical of the betterment reported so far this year is the semi-annual report of the Ontario Fire Marshal, which shows that in that province fire losses in the first six months of the year are roughly 22 per cent below the corresponding figure of 1932. The total loss to date is $5,259,580, as compared with $6,771,000 in the same period a year ago. Of the 1933 total, approximately 88 per cent was covered by insurance. An exactly similar percentage was covered by insurance in 1932.

Feature of the 1933 picture as stressed repeatedly in The Financial Post is the steady increase in the number of dwelling fires. In the first six months of the year dwelling fires in Ontario alone numbered 6,495, an increase of nearly 150 over the previous high mark of 1932. This increase occurred in the face of a substantial decline in total fire loss from this type of risk.

Ontario fire loss for June showed a good decline, the figure being $896,700, as compared with $1,081,000.

Lower fire losses are reported also for 1933 by Great Britain and the United States. The British estimate of fire losses in the first half of 1933 for principal fires is placed at £4,571,000, as compared with £5,516,000 in the same period in 1932. These figures take into account only fires in which the damage is £1,000 or more.

British Offices Looking Here For Investments

Probability that insurance offices will substantially increase their investments in Canada in the near future as soon as the exchange position becomes clear, is forecast by an official of a leading British office.

For the past two or three years, this official told The Financial Post, the British offices have reduced rather than increased their investments in Canada due to the Canadian dollar being at a premium. This was considered only temporary, however, and he anticipates that as soon as the Canadian dollar is reasonably stabilized, these and additional funds will find their way to Canada from Great Britain for investment.

Outlets Hard to Find

One important factor which will hasten this movement is the fact that these offices are very hard put to find remunerative channels for investment for their funds in England owing to surplus of funds on the London market and the consequent low yield that can be obtained there.

"While there have been certain happenings in the security market," he said, "which have probably lowered the prestige of Canadian investments to the British investor, corporate investors such as the British insurance offices should be able to discriminate between the good and the bad in this country."

Further Hail Losses in Southern Saskatchewan

It begins to look as if hail insurance losses this year will be somewhat ahead of last, a storm in the Regina district last week doing considerable damage to growing crops.

Losses are already greater than last year, an insurance official told The Financial Post, although they are not excessively high as last year's record was a good one. Of course, there are still a few weeks in which further damage may be done.

About 100,000 acres in the southern section of Saskatchewan were severely affected by the recent storm, losses ranging from 20 to 100 per cent. Over another 100,000 acres lesser damage is reported.

Executive Salaries Not to be Published

It is not the intention of the Dominion Superintendent of Insurance to print the schedules of insurance executives' salaries which was recently called for by that department, The Financial Post learns.

According to word received from the department, every effort is now being made to avoid increases in the size of the report and there is no intention of adding to the schedules now printed there.

The new schedule calls for a detailed statement of the salaries paid to insurance company executives as outlined last week by The Financial Post.

Manufacturers Life Business in the Province of Quebec

Manufacturers Life devotes a considerable portion of a recent issue of its agency "News Letter" to a review of the Province of Quebec's place in its business.

It is pointed out that over $56,000,000 of insurance in the Manufacturers is owned by residents of the province and that, in 1932, 11.5 per cent of the paid-for business of the company eminated from Quebec. This year, to date, 13 per cent of the paid-for business has been on the lives of residents of the province.

Licenses Issued

Beaver Fire Insurance Co. has received a certificate of registry authorizing it to transact in Canada automobile insurance in addition to the classes for which it is already registered.

Bankers and Traders Insurance Co., Ltd., has received a certificate of registry authorizing it to transact in Canada automobile insurance in addition to the classes for which it is already registered.

Sun Insurance Ltd. has received a certificate of registry authorizing it to transact in Canada insurance against direct loss and damage to property by airplanes, airships and/or other aerial craft or objects falling therefrom and by automobiles or other motor vehicles, in addition to the classes for which it is already registered.

Ordinary Life Insurance*

	1928	1929	1930	1931	1932	1933
January ..	$47,569,000	$49,739,000	$45,074,000	$41,188,000	$37,331,000	$29,367,000
February ..	39,962,000	47,140,000	43,925,000	40,180,000	38,145,000	26,323,000
March	44,823,000	48,066,000	49,047,000	46,945,000	37,467,000	29,763,000
April	46,718,000	51,842,000	51,649,000	45,648,000	33,629,000	29,770,000
May	49,581,000	50,547,000	48,871,000	41,314,000	30,998,000	30,497,000
June	51,884,000	53,402,000	54,168,000	46,227,000	40,963,000	32,398,000
July	49,492,000	54,809,000	46,505,000	39,977,000	34,469,000	....
August ...	43,503,000	41,329,000	36,249,000	35,738,000	28,370,000	....
Sept.	38,872,000	43,013,000	38,994,000	30,066,000	25,207,000	....
October ...	55,743,000	50,894,000	44,527,000	36,006,000	29,858,000	....
Nov.	54,865,000	55,624,000	46,186,000	38,860,000	34,003,000	....
Dec.	56,647,000	54,189,000	49,026,000	47,163,000	33,483,000	....

Total, 1st 6 months, 1933 .... $178,118,000
Total, 1st 6 months, 1932 218,533,000

Decrease, 1933 to date, 18.5% .... $ 40,415,000
Decrease, June, 1933, from June, 1932, 20.9% 8,565,000

*By 14 companies having in force 83 per cent of total outstanding business in Canada. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

BETTER BUSINESS SHOWN IN RETURNS OF SUN OF CANADA

Production Up and Loans and Lapses Show Decline

Continued improvement in business is reported by Sun Life of Canada. Domestic, British and United States sales have improved substantially; annuity business has gained remarkably over 1932 and policy loans are lower.

Typical is the showing of the British division of the company's territory. In the company month ending July 12, this division paid for $3,700,000 of new business. This figure is $500,000 greater than in any month this year. London City led the field, with a production of $225,000. The occasion was celebration of the fact that Arthur B. Wood, managing director of the company had been 40 years with the company.

Policy Loans Down

Paid-for production generally has increased in June and July, according to company officials. Policy loans in Canada are down 15.2 per cent as compared with last year, while figures for the entire company are down 27.7 per cent. Lapses, it is reported, have consistently been below the average and this year are still lower with good decreases in recent months. Money left on deposit with the company has increased.

In the company month ending June 12, Sun Life paid for $22,000,000 of new business. This figure represents a 50 per cent increase over 1932 production in the same month. In the Eastern United States business reached the highest level in the past two years, showing almost a 90 per cent increase over June, 1932.

In Canada 19 of the 28 branches surpassed their June, 1932, results and three boast increases of over 100 per cent. The Canadian department registered the largest ordinary paid-for production since March, 1932.

Sales of paid-for ordinary business in the United States, for the company's month of June, were over 60 per cent greater than the corresponding month of 1932 and higher than any month since June, 1931.

For the first six months of 1933 the sales of annuities in the United States are more than 200 per cent greater than the same months of 1932. The development of this business in Canada is termed "remarkable."

Insurance Inklings

HON. GARFIELD W. BROWN, commissioner of insurance for Minnesota and president of the National Convention of Insurance Commissioners, will attend the sixteenth annual convention of the Association of Superintendents of Insurance of the Provinces of Canada to be held in Toronto on September 5, 6 and 7. Mr. Brown will deliver an address on a subject to be announced at a later date.

ALEXANDER BISSETT, manager for Canada of the London and Scottish Insurance Corp., was recently elected a director of the company.

HERBERT HUNTER was recently appointed assistant to Charles Heath, Manitoba Superintendent of Insurance.

Ontario Equitable was recently host at Lucerne-in-Quebec to seven of its representatives who qualified for the 1932-33 Equitable Club. The representatives who qualified were: G. T. Baker, Toronto; A. J. Douglas, Montreal; R. T. Irwin, Woodstock; C. A. Keddy, Cornwall; G. E. Keddy, Kirkland Lake; A. J. O'Neill, Georgetown and S. P. Quilty, Ottawa.

DOMINION CURRENCY $9,579,474 HIGHER

Increase Due to Rise of $9,600,000 in Finance Act Advances

An increase of $9,579,474 in Dominion notes outstanding was recorded in June, according to the monthly report of the Department of Finance. The total outstanding at June 30, 1933, was $184,427,058, compared with $174,847,584 at May 31. The increase was due to advances under the Finance Act rising by $9,600,000.

Gold reserves held against notes decreased $285,442, and the excess of gold held over statutory requirements dropped from $553,422 to $288,506 between May 31 and June 30.

Gold held by the Minister of Finance was as follows:

Gold Holdings of the Minister of Finance At June 30, 1933

	$
Against savings bank deposits (10% on $23,777,203)	2,377,720
Against notes (Dominion Notes Act, 1927)	68,983,059
In excess of statutory requirements	288,506
	71,649,285

Joins Northern Life

G. FAY DAVIES
Who was recently appointed assistant general manager and secretary of the Northern Life Assurance Co. Mr. Davies, who is a Canadian, was connected with the London Life in Canada before joining the staff of the Life Insurance Sales Research Bureau of Hartford, Conn.

Bank Chat on Current Topics

DEBASEMENT PROFITS

GOLD mining companies would not be the only interests to profit by statutory revaluation of the metal. Banks and Governments would reap large gains. The big question will be: who gets the profit on revaluation of monetary gold? Governments have always tried to seize such gains.

Canadian banks held some $75,000,000 in specie, and in deposits in the central gold reserves, at the end of May. Perhaps only $50,000,000 of this would be gold coin and bullion. But it is second only in size in Canada to the holdings of the Minister of Finance. If this gold were valued at $30 an ounce instead of the present $20.67, it would mean a profit of about $16,000,000 to someone. This is equal to about one year's net earnings of all Canadian chartered banks. Not a bad plum.

The big question is whether or not the banks would be allowed to get this profit. The gold is their property. But perhaps the Government could take it from them at $20.67 an ounce and replace it with less gold at $30 an ounce.

If Canada were to value gold at $30 an ounce, the Dominion Government would stand to make about $35 million in profit on its present holdings of about $70 million.

* * *

AN INSTANCE of what history tells us about the results of revaluation of gold on the public coffers is seen in the unscrupulous operations of "bluff King Hal." Harry the Eighth was a big spender. He always needed money. Since paper money was not in much use in Tudor times, he was obliged to debase the coinage to get it. Nowadays Governments print money in times of great need, as every period of war shows.

The scheme of Henry VIII was to garner all the gold coin possible. He couldn't get his hands on all of it, but did his best. Then he would debase it, and pay off debts. Also he continued to spend. Sooner or later he needed more money and the process was repeated. This is characteristic of the history of money under sovereigns before the development of paper money, credit money and banking systems.

The difficulties of Henry VIII in preventing the goldsmiths and others from hoarding gold, and thereby profiting from debasement, are a parallel to what might occur in Canada if revaluation takes place. The mines and the banks would want to get their share of the profit on what gold they have. Whether a modern Government will be any more successful than Henry VIII in taking their gold from them remains to be seen.

Staff Changes

Bank of Montreal announces the following changes in staff appointments:

C. HAGGAN, formerly at Ridgetown, Ont., to be manager at Haliburton, Ont.

H. P. FERRIER, formerly manager at Haliburton, Ont., to be manager, at Watford, Ont.

J. G. MONTGOMERY, formerly manager at Watford, Ont., to be manager at Iroquois, Ont.

W. G. GROTHIER, formerly at Bloor St. and Windermere Ave., Toronto, to be manager at Alvinston, Ont.

W. D. S. THOMAS, formerly manager at Alvinston, Ont., to be manager at central market branch, Hamilton.

R. C. McINTYRE, formerly assistant manager at Windsor to be manager at Preston, Ont.

T. MATHESON, formerly manager at Semans, Sask., to be manager at Dauphin, Man.

C. W. McBRIDE, formerly manager at Russell, Man., to be manager at Semans, Sask.

H. E. MacDONALD, formerly at Lethbridge, Alta., to be manager at Russell, Man.

A. H. CARSON, formerly inspector at Vancouver, to be manager at Trail, B.C.

D. C. PATERSON, formerly manager at Trail, B.C., to be manager at Kelowna, B.C.

J. GALBRAITH, formerly manager at Nanaimo, B.C., to be manager at Penticton, B.C.

H. T. REED, formerly manager at Penticton, B.C., to be manager at Nanaimo.

Barclay's Bank (Canada) announces that F. H. DICKINSON, formerly general manager is returning to England. H. A. STEVENSON, formerly with Barclay's Bank Ltd., Buenos Aires office, is to succeed Mr. Dickinson.

Imperial Bank of Canada has made the following changes in staff appointments:

R. E. TRACY, formerly manager, Matheson, Ont., has been appointed manager, Englehart, Ont.

G. MENUZ, formerly accountant, Cochrane, Ont., has been appointed manager, Matheson, Ont.

N. M. PLANT, formerly accountant, Timmins, Ont., has been appointed accountant, New Liskeard, Ont.

W. Q. CLARK, formerly accountant, New Liskeard, Ont., has been appointed accountant, Timmins, Ont.

R. K. HANNA, formerly attached to King and York Streets branch, Toronto, has been appointed teller-accountant, Cobalt, Ont.

The Bank of Nova Scotia announces the following changes in staff appointments:

R. G. NORMAN to be manager at Barrie, Ont.

F. M. WILMOT to be manager at Sutton West, Ont.

S. C. CHISHOLM to be manager at Spanish Town, Jamaica.

J. C. ROBINSON to be acting manager at Savanna-la-Mar, Jamaica.

C. G. MATTHEWS to be accountant at Kingston, Ont.

T. W. CALDWELL to be accountant at North Sydney, N.S.

The Canadian Bank of Commerce announces the following staff changes:

A. G. S. McELWAIN, formerly manager at St. Clair and Glenholme, Toronto, branch, has been transferred to be manager at Bedford Park, Toronto, Yonge and City Limits.

G. H. DIXON has been appointed assistant inspector in the superintendent's department, Regina, Sask.

Alberta Produces More Coal

Production of coal in Alberta during May showed a large increase over the total for the corresponding month of 1932. In May this year production amounted to 217,048 tons, while in the same month last year it was 197,046 tons, an increase of 20,002 tons.

Current Events in Banking World

STERLING UNION AS LAST RESORT IS BUSINESS VIEW

Monetary Committee of Empire Chambers Prefers Return to Gold

By Staff Editor

LONDON.—Delegates to the recent Congress of Empire Chambers of Commerce here had an opportunity of studying a report that had been prepared by a committee headed by Sir Basil P. Blackett and Dr. W. H. Coates. In the main it covered familiar ground, studying the reasons for the breakdown of the international gold standard and affirming the need for some reformation in it before the Empire countries could return to it again. But given some measure of reform the gold standard was deemed to be the most likely standard to prove generally acceptable.

It was urged that the currency authorities in each country should be supplied by industry with the fullest statistics regarding prices, wages, profits and the distribution of credit to enable the monetary and credit policy of each country to be managed to best advantage. But at the same time it was emphasized that the gold standard should be managed on an international basis and the interesting suggestion was made that a code of principles governing international financial relationships should be formulated and should include the establishment of some international authority capable and competent to draw public attention to the infringment of that code. Further modifications of the old gold standard were proposed as follows:

"Gold should be economized by the abolition of gold as a cover or security for internal note issues and by the abolition of gold coin.

"Free movement of monetary gold should be allowed but restricted to authorities responsible for the currency. Private hoarding of gold coin or bullion should be prohibited. Countries losing and receiving gold should allow these movements to have their normal effect upon the credit system."

Suggest Sterling Union

The committee visualized the possibility of attempts to reform and restore the gold standard proving abortive. In such a case it was urged that the Empire countries should systematize and develop their present paper currencies in the form of a sterling union. This union should be open to all nations, on their agreement to share in its obligations and responsibilities. The machinery proposed was chiefly the linking of each currency with the pound sterling through the establishment of a sterling exchange equalization fund financed by all the participating nations. The system would defend itself by effective machinery, including the use of clearing agreements, reciprocal trade agreements, and quota arrangements, and the abandonment of the unconditional "most-favored-nation" clause.

The committee apparently were forced to compromise in regard to silver for they expressed the opinion that the establishment of a bimetallic monetary standard throughout the world was not practicable but that the stabilization of silver's value was of great importance. The adoption of a reformed gold standard would in itself help to raise the value of silver.

Returns to England

F. H. DICKINSON
Who after completing three years service as general manager of Barclays Bank (Canada) returns to England to resume his connection with Barclays Bank Ltd.

Foreign Exchange

STERLING showed some weakness in Canada and the United States in the week ended July 24. Canadian dollars were comparatively strong in the United States, holding near the high levels for the year.

British authorities have been expecting some slackening of the strength of sterling because of the normal autumn tendency of the British currency to weaken on account of seasonal purchases of raw materials. Canada and the United States sell large supplies of wheat and cotton to Great Britain. This tends to weaken sterling and strengthen United States and Canadian dollars.

UNITED States commentators have been discounting the effects of the seasonal strength of sterling. They have indicated that they feel abnormal monetary movements, such as have existed in recent months, would more than offset the seasonal trend. The fact is that this has been true. Trade has been more affected by sudden exchange fluctuations than a cause of them, experts state.

Exchange students see a reserve of strength for Canadian dollars in the Dominion's large wheat holdings. The problem is to sell this wheat. But if and when this is done the result should be to cause substantial foreign purchases of our money in order to pay for the grain. Since most of our wheat is sold in Great Britain, this is expected to have a tendency to weaken sterling in Canada.

FOREIGN EXCHANGE
New York Funds

	High (Premium) %	Low (Premium) %	Last Year High (Premium) %	Last Year Low (Premium) %
July 18 ..	4 1-8	3 1-2	16 1-4	15 3-4
July 19 ..	4 3-8	2 7-8	16	15 5-8
July 20 ..	5 1-8	4 3-8	15 1-2	15 1-8
July 21 ..	6	4 1-2	15	14 5-8
July 22 ..	5 5-8	4 3-4	14 5-8	14 1-2
July 24 ..	5 5-16	4 3-4	15	14 5-8

STERLING, FRANCS AND LIRE
Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
July 18 ...	4.84 7-8	.0570 1-4	.0768 1-4
July 19 ...	4.82	.0568	.0677 3-4
July 20 ...	4.64 5-8	.0548 3-4	.0742 3-4
July 21 ...	4.67 1-8	.0549 3-4	.0742 3-4
July 22 ...	4.64 1-8	.0544 1-4	.0732 3-4
July 24 ...	4.66 5-8	.0545 3-4	.0736 3-4

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.3918	$0.0526
July 18 ..	5.01 3-4	0.0590	0.0795
July 19 ..	5.01 3-4	0.0591	0.0799
July 20 ..	4.91 5-8	0.0581	0.0786
July 21 ..	4.90	0.0578	0.0780
July 22 ..	4.88.15	0.0571	0.0773
July 24 ..	4.90 5-8	0.0573	0.0774

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
July 18 ...	0.3591	0.2101	0.3169
July 19 ...	0.3617	0.2103	0.3225
July 20 ...	0.3544	0.2075	0.3191
July 21 ...	0.3537	0.2065	0.3140
July 22 ...	0.3503	0.2054	0.3135
July 24 ..	0.3500	0.2050	0.3083

Still Stake Homesteads

Homestead entries in Alberta totalled 328 in May, while in June the number was 404. Sixty-four women were among those securing grants. In Edmonton alone the entries were 240 in the two months.

MTL. CITY BANK TO BUILD BRANCH COST $125,000

To Complete Structure This Year — Brings Branch Total to 23

Montreal City and District Bank is just starting work on a new branch office building in Montreal which is expected to cost $125,000. The new building is being erected on St. Lawrence Blvd. below Mount Royal Ave. It is expected that the structure will be completed before the end of this year, according to T. Taggart Smyth, general manager.

The opening of the new branch will bring the total to 23, the bank having first been established in 1846 when the population of Montreal was only 46,000.

In commenting on the historical progress of the bank, Mr. Smyth pointed out that the railways were still in their infancy when the bank started operations. There was no telegraph service between Quebec and Montreal until 1847; transatlantic steamships only started to reach Montreal in 1853. Tramways were not started in Montreal until 1861, when the bank was 15 years old.

The new building will be 46 feet wide, with a depth of 70 feet nine inches, having a 10-foot wide yard in the rear. Construction will be of steel frame with walls backed with terra-cotta, front in cut stone, with copper cornice, concrete foundations, cemented cellar. The walls of the banking room will be in Caen stone plaster, jointed and ornamented, with mahogany dado on marble base to the public space.

Interior Fittings

It is proposed to leave the first floor entirely open, with the plastering and rough flooring complete, drains, hot and cold water, and electric and gas services brought to three positions ready for distribution, in order that the requirements of tenants may be met. Suitable finished floors will be laid and divisions erected for future requirements. The hall and staircase to the first floor will have marble dado, with Caen stone plaster to the walls. Iron stairs with marble steps and terrazzo landings will round out the fittings. The first floor area for the use of tenants will be 2,360 superficial feet.

A Man's OWN FUTURE ought to give him some Concern

Yet many a man, in safeguarding the future of those he loves, has neglected to protect his own.

Such selflessness is unnecessary.

A Sun Life Endowment Policy will provide the required security for your family through the years, and at its maturity will still be worth 100% Cash Value.

An additional attraction is the liberal dividend earned each year which may be applied in one of several ways.

Let a Sun Life Representative work out a plan to meet your own special requirements.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
BRANCH OFFICES: Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, St. John, Halifax
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70
ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30%

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

PROTECTION
The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. Its protection affords thousands of privileges covering practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.
Assets — $49,000,000.00
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger
HEAD OFFICE: TORONTO, CAN.

THE ONTARIO EQUITABLE LIFE AND ACCIDENT INSURANCE COMPANY
HEAD OFFICE WATERLOO ONTARIO
The satisfaction policyholders have in their contracts with this Company offers the basis of opportunity for its representatives. Assets exceed $8,200,000.

NORTH AMERICAN LIFE
ESTABLISHED 1881
Assets $47,298,633
Surplus $6,035,328
A MUTUAL COMPANY

The Stock Market never offered such a good Proposition
A $10,000 SECURITY for 37¢ A DAY
Mail this Coupon
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I am interested in your "$10,000 Security for 37c a day." Without obligation send particulars. Dept. 67-H.
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The GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE: WINNIPEG

A. J. Pattison, Jr. & Co. LIMITED
(Established in 1907)
Unlisted Bonds and Stocks
3rd Floor, Royal Bank • Toronto, Can.

American Paper Code Affects Operators Here

Canadian Operators May Subscribe to Those Parts of Code Dealing With Labor, Minimum Prices, Trade Customs and Practices

From Our Own Correspondent

MONTREAL. — Though the Newsprint Code, adopted by the Association of Newsprint Manufacturers of the United States, does not apply to Canadian operators or to mills operated in Canada by American companies, it is expected that parts of the Code will be adopted by operators in this country.

The purpose of the Code is to improve labor conditions and to increase employment to establish minimum fair market prices for newsprint paper; to eliminate unfair competitive practices among the United States mills and to protect the industry in that country against the sale of newsprint in the United States market by foreign manufacturers at such prices or on such terms or under such conditions as tend to destroy the industry in the United States or impair the standard of living among workers in the newsprint mills.

Subscribe to Code

The United States being a market for over 80 per cent of the newsprint manufactured in this country, it is apparent that the Canadian manufacturers will have to subscribe to a number of the cardinal rulings of the Code in order to maintain their position in the American market.

That such is the attitude taken by those American companies having mills in Canada is seen in the action taken by International Paper in increasing wages and salaries of employees in this country.

Face Labor Question

Labor conditions in the newsprint industry in this country may have to be placed on a parity with those in the United States. This being the case, the Caandian operators are faced with the prospect of increasing salaries and wages to the same extent as across the line. Terms of employment and hours of labor will likely be made to synchronize with the American standard.

Such a development would add to the costs of manufacture, but at this time it does not seem likely that the Canadian companies will be able to side-step this ruling without coming into conflict with the American Association.

Code is Necessary

It is to be expected that the Canadian manufacturers will subscribe to the tenets of unfair practices and a minimum fair market price for newsprint as set forth in the Code. For the past three years the producers in this country have been endeavoring to adopt some such policy but without success. By falling in line with the agreement drawn up by the American manufacturers, the Canadian companies will strengthen their position both in the domestic and United States markets.

The rigid enforcement of a minimum price schedule should in time go a long way toward putting the Canadian industry back on its feet. A return to profitable operations, of course, will depend upon an increase in consumption of newsprint and consequent stepping up of plant operations. By the trend of demand lately, it would appear that the industry both in the United States and Canada can expect an upward movement in sales of newsprint over the next six months.

Create General Standards

The American Code also sets forth trade customs and practices which must be adhered to by subscribing members. These definitions of technical features of the newsprint industry should be welcomed by the Canadian industry in that they avoid misinterpretation and establish general standards for the industry as a whole.

It is too early for Canadian manufacturers to determine what their course of action will be in relation to the American Code. The latter has not yet been officially approved by Washington, so that no announcement is to be expected from the Canadian mills until the American Code is put into practice.

Advertising Linage Sets High Mark for June Last

From Our Own Correspondent

MONTREAL—June index of advertising in 52 American cities, as compiled by Media Records Inc. and published by Editor and Publisher, was the highest for the past sixteen months. The index stood at 71.5 for June against 65.6 in May and a low of 53.4 in March.

The index is designed to eliminate the effect of seasonal swings and also to minimize the effect of abnormal movements in any one year on the comparisons. The 71.5 standing of June means that the linage in the 52 cities last month was 71.5 per cent of the average linage for the four Junes from 1929 to 1932 inclusive.

Show Same Trend

Comparison of 1933 with 1932 show the same trend. June linage this year was 93.0 per cent of that in June 1932. May linage was 89.3 per cent of that in May 1932, while in March the percentage was only 69.5 of the corresponding month in 1932.

June linage this year was 1,480,000 lines below that in May, but this was only a small fraction of the usual seasonal loss in the 52 cities. Last year the decline from May to June was 5,850,000 lines, and the average decline for this period in the last four years, 1929-1932, was 14,140,000 lines.

Total linage reported in June was 93,167,974 lines, compared with 100,156,535 for the same month last year. Display linage only amounted to 76,823,360 compared with 80,109,240 a year ago, while classified linage totalled 16,344,614 as against 20,047,295 in June 1932.

ACADIA BUILDING RECORDS DEFICIT

Bond Interest Not Covered During Past Fiscal Year

From Our Own Correspondent

MONTREAL.—Revenues of Acadia Apartments Ltd. for the year ending April 30, 1933, were insufficient to cover interest charges on the first mortgage bonds which have been in default since March 1.

Gross income received by the company for the twelve months ended April 30 last totalled $88,707. After taking care of operating and other prior expenses, there remained a balance of $39,951. Interest on the first mortgage bonds totalled $51,798 and on the general mortgage bonds $10,500, making a total of $62,298. In addition other interest charges, depreciation, and reserve for bad debts brought the total loss for the year up to $53,705.

Sinking Fund in Arrears

The balance sheet on April 30, 1933, shows current liabilities of $55,030, consisting largely of accrued interest on bonds. The amount of first mortgage bonds outstanding is shown at $796,900 and of second mortgage bonds $150,000. Sinking fund payments on the senior bonds were in arrears to the extent of $99,553 and on the second mortgage bonds $60,000 on April 30.

Land, buildings and equipment, less reserve for depreciation, are shown on the books at $1,350,312. Rents receivable and other current assets aggregate $11,732. Organization expenses amount to $111,274 and deferred charges $1,195.

At the end of April, 1932, the company surplus account showed a deficit of $58,973, which together with the loss for 1933, brought the deficit account up to $112,679.

U. S. Removes Income Tax on I. T. T. Securities Abroad

Canadian holders of International Telephone & Telegraph Corp. stock and bonds have been relieved of some of the red tape of recovering American income tax deduction by a recent ruling of the United States Commissioner of Internal Revenue.

Formerly the income tax was deducted from the securities at the place of payment of coupons, or from dividend cheques when issued, whether or not paid in a foreign country where the United States income tax does not apply. The new ruling is that dividends and interest on I. T. & T. securities are being regarded by the United States as income from sources outside the United States. This income, when received by non-residents of the United States, is not subject to United States income tax for 1933.

Holders of such securities should see, therefore, that no United States income tax is withheld when collecting dividends or interest.

Donnacona Stock Delisted

From Our Own Correspondent

MONTREAL.—Montreal Stock Exchange announces that the old no par value common shares of Donnacona Paper Co. have been removed from the board.

Public Utility Earnings

Quebec Power

Three Mos. Ended June 30:	1933 $	1932 $
Gross revenue	930,755	1,027,760
Oper. exps., taxes, etc.	568,719	‡678,683
Net revenue	362,036	349,077
Less: Fixed chgs.	146,695	147,840
Exch. on bond int.	5,795	......
Bal. to surp. before deprec. and income tax	209,546	201,237
Times Fixed Chgs. Earn.:	‡2.37	2.36

‡ Includes exch. prem. on bond interest.

Six Mos. Ended June 30:	1933 $	1932 $
Gross revenue	1,899,688	2,111,189
Oper. exps., taxes, etc.	1,140,181	1,302,592
Net revenue	759,507	808,597
Less: Fixed charges	298,390	294,537
Exch. on bond int.	23,530	27,091
Bal. to surp. before deprec. and income tax	442,587	486,969
Times Fixed Chgs. Earned:	‡2.40	‡2.51

‡ Includes exchange premium on bond interest.

Twin City Rapid Transit

Three Mos. Ended June 30	1933 $	1932 $	Decr. %
Gross revenue	1,944,232	2,318,006	16.12
Oper. expenses	1,518,794	1,798,147	15.54
Net revenue	425,438	519,859	18.16
Less: Fixed chgs. & taxes	465,957	478,619	2.65
Net income	‡40,519	41,240	....

‡ Loss.

Six Mos. Ended June 30	1933 $	1932 $	Decr. %
Gross revenue	4,157,687	5,041,938	17.54
Oper. expenses	3,286,129	3,811,970	13.79
Net revenue	871,558	1,229,967	29.14
Less: Fixed chgs. & taxes	933,041	979,209	4.71
Net income	‡61,483	250,758	....

‡ Loss.

Winnipeg Electric

May:	1933 $	1932 $	Decrease $
Gross earn.	410,692	459,776	49,084
Oper. exps.	297,389	323,125	25,736
Net earn.	113,303	136,651	23,348
Five Mos. Ended May 31:			
Gross earn.	2,281,558	2,494,234	212,676
Oper. exps.	1,573,806	1,699,225	125,419
Net earn.	707,752	795,009	87,257

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING JULY 24

Range 1933 High	Low	Divd. Rate in $	Yield in % July 22		Sales	Close July 17 (or last)	Week Ending July 24 High	Low	Close
				A					
4	1			Abitibi	41585	2½	4	2	2½
10	1			Do. pref. 6%	1215	8	9	6	6½
x80	80	7		Acme F. D'y p	....	..	..	..	..
8	4			Agnew Surp.	50	4½	8	8	8
60	57½	7	12.2	Do. pref.	....	57½	..	..	..
10	3½			Alta. Pac. Gr.	285	10	10	7½	7½
40	20			Do. pref.	140	40	40	36	36
x3½	1½			Amal. Electric	....	..	..	..	..
9½	8			Do. pref.	....	9	..	..	..
†3½	3½			Anglo. N. Hold.	....	..	..	..	..
.25	.15			Asbestos	....	.25	..	..	..
.75	.50			Do. pref.	....	.75	..	..	..
15	3½			Assoc. Brew.	1394	15	15	12	13½
77½	65	7	9	Do. pref.	....	77½	..	..	..
x3	3			Assoc. Can.	....	..	..	..	..
†69	65			Assoc. Tele.	....	..	..	..	..
				B					
148	127	10	6.8	Bk. Can. Nat.	42	148	148	148	148
221	150	8	3.7	Bk. Montreal	212	220	220	215	219
280	228	12	4.3	Bk. N. Scotia	213	278	280	270	277
215	199	10	4.9	Bk. Toronto	125	215	215	200	202
17	10			Barcelona	....	17	..	..	..
8	1			Bathurst Pr.	640	6	6	5	6
2	1			Do. (B)	....	1½	..	..	..
†26	26			Bawlf Grain	....	..	..	..	..
20	6			Do. pref.	50	6	8	8	8
7	3			Beath & Sons	105	6	7	7	7
15	3½			Beatty Bros. A.	50	15	13½	13	13
67	53	6	8.9	Do. pref.	10	55½	67	67	67
8½	6			Beauharnois	15273	6½	7	6	6½
80	50	4	8	Belding Cort.	....	50	..	..	..
89	85½	7	8.2	Do. pref.	....	85½	..	..	..
120½	80	6	5.3	Bell Telephone	1971	117	120½	108	113
7	3½			Biltmore Hats	65	6½	7	7	7
75	62	7	9.3	Do. pref.	90	70	75	70	75
4	2½			Bissell, T. E.	....	4	..	..	..
†97	88			Do. pref.	....	..	..	..	..
6	1			Blue Ribbon	75	4½	5	4½	4½
22	10	2	9.1	Do. pref.	35	21½	22	21½	22
22	18½	2	9.3	Brant. Cd. pf.	25	21½	22	21½	21½
19	7			Brazilian Tr.	101051	17	17½	11½	15½
3.85	.55			Brew. & Distil.	275140	3.50	3.50	1.65	2.50
12	½			Brewing Corp.	17675	8	8½	3½	6
19				Do. pref.	6840	17	17	9½	16
16	7½	80c	5.7	Brit. Amer. Oil	23166	15½	16	12	14½
8	1			B. C. Packers	43194	5	8	5	6
20	6			Do. pref.	240	18	20	17	17
28	14	2	7.8	B. C. Power A	1757	28	27½	24	25
6½	3			Do. (B)	320	6½	6½	6½	6½
18½	3			Bruck S. Mills	5930	18	18	14	16
21	10½	1	5.6	Building Prod.	300	20	18½	17	17½
38½	30	2	5.9	Burt, F. N.	362	37½	38	33	33½
				C					
x125	120	6		Calgary Pr.	....	..	..	..	..
9½	1½			Canada Bread	2860	8½	8½	5½	6
75	40	3	4.5	Do. pref. A.	5	75	67	67	67
31	8			Do. pref. B.	57	31	30	30	30
18	5½	60c	6	Canada Bud	17243	14½	15½	9½	11½
10½	2½			Canada Cement	14684	9½	10	8	9½
45½	12			Do. pref.	934	43	45½	37	41½
b41½	7½	1	4.2	Canada Dry	157100	29½	41½	20½	29½
5	2			Can. Forg. (A)	....	5	..	..	..
x7½	2			Do. (B)	....	..	..	..	..
x15	15			Canada Iron	....	..	..	..	..
†80	75	8		Do. pref.	....	..	..	..	..
*425	405	20	4.9	Canada Life	....	405	..	..	..
40	13½	1.50	5.1	Can. Malting	17437	38	39	24	30½
17½	12	80c	5.2	Can. Nor. Pr.	1420	17	17½	15½	15½
90	65	7	7.9	Do. pref.	35	87	90	88	90
.25	.05			Can. Paving	....	.10	..	..	..
10	4			Do. pref.	....	5½	..	..	..
165	120	10	6.1	Can. Perman.	62	158	165	160	160
3½	1½			Can. Steamsh'p	2760	3	3½	3	3
9½	2			Do. pref.	540	6	7	5	6
26	13½	1.60	6.9	Can. Vinegars	1135	24	26	22	23
30	26			Can. W. Cable	....	30	..	..	..
14	7			Do. (B)	....	12½	..	..	..
2	2			Can. Bakeries	....	2	..	..	..
5	5			Do. pref.	....	5	..	..	..
176	119	8	5	Can. Bk. Com.	119	168	168	150	153
25	9	60c	3.1	Can. Bronze	345	25	24½	18	19
96½	70	7	7.3	Do. pref.	....	96½	..	..	..
10½	2½			Can. Canners	2835	10	10½	8½	9
80	48	6	7.6	Do. 1st pfd.	85	80	80	78½	78½
14	3½	20c	1.6	Do. 2nd pfd.	6420	12½	14	10½	11½
11½	2			Can. Car & F'y	9980	10½	10½	7½	8
19½	9½	1.75	10	Do. pref.	2706	18½	19½	16½	18
28	6½			Can. Celanese	667	23	23	16	18
107	70	7	7	Do. pref.	131	100	101	100	100
35	8	2	6.1	Can. Convert.	....	30	..	..	..
32	15			Can. Cottons	172	30	32	31	32
69	45	6	10	Do. pref.	....	60	..	..	..
22½	10	1		Can. Dredge	2415	21	21	17½	18
†92	92	7		Do. pref.	....	..	..	..	..
79	79	6	7.6	Can. Fairb. pf.	....	79	..	..	..
9½	2	25c		Can. For. Inv.	298	9	9	8½	8½
80	35	8	10	Do. pref.	15	80	80	80	80
130	120	3	2.3	Can. Gen. Elec.	....	130	..	..	..
60	50	3.50	6.2	Do. pref.	265	57	60	56½	56½
6½	4			Can. G. Inv. T.	....	6½	..	..	..
65	34	6	9.4	Can. Hyd. El. p	329	60	65	60	63
40	1½			Can. Ind. Alc.	164033	34	40	10	17½
39.00	.90			Do. (B)	27305	29½	29	10	15
101½	75½	3.50	3.4	Can. Industries	5	100½	101½	101½	101½
125	125	7	5.6	Do. pref.	....	125	..	..	..
†5.00	3.95			Can. Int. I. Tr.	....	..	..	..	..
†70	64½			Do. pref.	....	..	..	..	..
21	21	1	4.8	Can. Lt. & Pr.	....	21	..	..	..
b3½	1½			Can. Marconi	59600	3½	3½	2	2½
20	6	50c	3.8	Canadian Oil	1086	17½	17½	12	14½
97	79	8	8.4	Do. pref.	105	97	96	94½	95
21½	9			Can. Pacific	26540	21	21	15	17½
3	1			Can. Vickers	25	3	2½	2½	2½
7½	5			Do. pref.	10	7	7½	7½	7½
49	46	2	4.1	C. West'ghouse	....	49	..	..	..
9½	1½	20c	3.3	Can. Wineries	2870	8	8	5½	5½
9½	3			Can. Wire Box	130	9	9	8½	9
9½	5½			Catelli Mac A.	15	9½	9½	9½	9½
2	1			Do. (B)	....	2	..	..	..
245	245	8	3.3	Cent. Can. L'n	....	245	..	..	..
2.35	.50			Chem. Research	17875	1.29	2.35	1.25	1.60
1.60	.20			Claude Neon	4065	.70	1.50	.75	1.20
15½	3			Cockshutt Plow	4190	12½	13	8	9½
9	3			Comm. Alcohol	595	7½	8	7	7
5	1			Conduits	....	5	..	..	..
†94	84			Do. pref.	....	..	..	..	..
16½	2			Cons. Bakeries	7002	16	16½	11	12½
5	½			Cons. Indust.	700	3½	5	3½	3½
6½	1½			Cons. Paper	20348	5½	6½	3	3½
12	3			Cons. Press	55	7	12	10	10
x35	30			Cons. Sand. p.	....	..	..	..	..
142	54	10%*		Cons. Smelters	11884	138½	142½	110	126
188	170	10	5.3	Consumers Gas	52	186	188	186	188
‡35	30			Cooksville Co.	....	..	..	..	..
‡85	85			Do. pref.	....	..	..	..	..
†20½	15			Corpor. Steel	....	..	..	..	..
‡90	90			Corr. P. Box p.	....	..	..	..	..
8	1½			Cosgrave Brew.	3740	7½	7½	3½	4½
10	2			Cosmos Imp.	105	10	10	7	7
50	39	3.50	7	Do. pref.	....	50	..	..	..
6½	1½			Crown Dom. Oil	245	6	6	4	4½
20	8			Crow's N. Coal	25	10	12½	12	12½
				D					
2	1½			David & Fre. B	....	2	..	..	..
5	5			Do. (A)	100	..	5	5	5
†12½	12½			De Haviland	....	..	..	..	..
x15	10			Do. pref.	....	..	..	..	..
†9	5			Disher Steel	....	..	..	..	..
17	17			Do. pref.	....	17	..	..	..
52½	4			Distill-Seagram	51181	46½	52½	17	22½
5	5			Dodge (A) pf.	....	5	..	..	..
x2	1½			Do. (B)	....	..	..	..	..
175	124	10	6.2	Dom. Bank	98	170	170	162	163
34	12½	2	6.7	Dom. Bridge	13970	32	34	27½	29½
10	3½			Dom. Coal	205	6	10	10	10
26	8			Dom. Engineer.	....	25	..	..	..
90	35	5	6.3	Dom. Glass	405	88	89½	80	80
110	98	7	6.4	Do. pref.	20	105½	110	110	110
5½	1			Dom. Motors	5460	4½	5½	1½	3½
2½	½			Dom. Pr. Stubs	50	2½	1½	1½	1½
6	½			Dom. St. & C B	21668	4½	5	2½	4
27½	12½	1.20	5.7	Dom. Stores	1927	25½	27½	22	23½
6½	1			Dom. Tar & Ch.	1865	5½	6½	4	4
27	5			Do. pref.	65	26	27	26	27
69½	39	4	6.6	Dom. Textile	1313	68½	69	60	62
107	93½	7	6.5	Do. pref.	2	106	107	107	107
7	½			Dryden Paper	3568	6½	7	4½	5
1½	1			Duff. Paving	....	1½	..	..	..
25	5			Do. pref.	....	25	..	..	..
				E					
3	3			East. Koot. Pr.	....	3	..	..	..
†97	94½			Do. pref.	....	..	..	..	..
7	1½			East Dairies	125	5½	6½	5½	6
14	8			East. Steel	....	13	..	..	..
75	67	7	10.4	Do. pref.	5	75	67	67	67
‡34	34	2		East. Theatres	....	..	..	..	..
‡85	80	7		Do. pref.	....	..	..	..	..
4	1			Easy Washer	1045	3	3½	2½	3
15½	7	75c	5	Economic Inv.	60	15	15½	15	15
†15	3			Edmonton D'y.	....	..	..	..	..
†80	78½	6.50		Do. pref.	....	..	..	..	..
3	½			Enam. & Heat.	....	3	..	..	..
19	5			Eng. Electric	75	19	11	11	11
10	1½			Do. (B)	....	10	..	..	..
				F					
12	4			Fam. Players	5	12	12	12	12
10	8			Do. Vot. Tr.	....	10	..	..	..
15	8½	1	6.7	Fanny Farmer	....	15	..	..	..
28	23	2.40	8.7	Do. pref.	....	27½	..	..	..
†83½	75			Firstbrook Box	....	..	..	..	..
21	6			Ford Motors A	31612	19½	21	11½	14½
5	1½			For. Pr. Secs.	....	4	..	..	..
10	5			Foundation Co.	100	9½	10	9½	9½
90	90			Fr.& For.Inv. p	....	90	..	..	..
†8	5			Frost Steel	....	..	..	..	..
40	40			Do. pref.	6	40	40	40	40
				G					
6.50	.70			Gen. St. Wares	5730	5.75	6.00	4.00	5.00
18	15			Do. pref.	5	18	15	15	15
114½	40	2.40	2.3	Goodyear Tire.	230	112	110	98	98
108	80	7	6.6	Do. pref.	214	105	106	104	106
†93½	93½			Gould Pumps, p.	....	..	..	..	..
3	½			Gt. W Saddlery	....	3	..	..	..
8	5			Do. pref.	....	8	..	..	..
16½	4			Gurd, Chas.	1550	16	16½	11½	12½
100	100	7	7	Do. pref.	25	100	100	100	100
7½	1½			Gypsum, Lime.	8738	6½	7	5	5½
				H					
12	2½			Ham. Bridge	1325	10	10½	6½	7
40	35			Do. pref.	5	40	37	37	37
13½	4			Ham. Cot. pf.	....	10	..	..	..
5	1½			Ham U. Theat.	150	3	3	2½	3
60	46	7	11.7	Do. pref.	....	60	..	..	..
‡50	50			Hillcrest Coll.	....	..	..	..	..
‡91	91			Do. pref.	....	..	..	..	..
8	2			Hinde & Dauch	60	7	7	6½	6½
†75	75			Holt Renfrew	....	..	..	..	..
‡96½	90			Do. pref.	....	..	..	..	..
3½	½			Honey Dew	3125	3	3½	2	2½
17	5			Do. pref.	50	13	17	15	17
9½	1½			H. Smith Pap	1910	9½	9½	7½	8
40	8			Do. pref.	35	33	40	40	40
23½	14½	2	9.1	Humberstone S.	....	22	..	..	..
14	4½	50c	4.5	Hunt (A)	98	14	14	11	11
10	5	50c	5	Do. (B)	....	10	..	..	..
102	77	7	7.8	Huron & E. Mt.	....	90	..	..	..
18	12½			Do. 20% pd.	132	15	16	16	16
10	6			Hydro Electric	....	10	..	..	..
				I					
185	123	10	5.4	Imperial Bank	104	185	185	185	185
16	7½	50c	3.8	Imperial Oil	50578	15½	16	12	14½
11	7	35c*	3.3	Imperial Tob.	1678	10½	11	10	10½
†80	80	8		Inter. Coal, p.	....	..	..	..	..
b13½	2½			Int. Hyd. E. A.	91400	10	13½	9	10½
105	98	7	6.7	Inter. Mill. pf.	10	105	105	105	105
90	84	6	6.7	Do. Series A	....	90	..	..	..
23.25	8.00			Inter. Nickel	278828	20.75	23.25	16.00	19.40
x4	4			Inter. Paints	....	..	..	..	..
b10	1			Int. P. & P. A	7500	7	8½	4½	6½
b5½	½			Do. (B)	7500	4½	4½	2½	3½
b4	½			Do. (C)	25000	3½	3½	2	2½
b22½	2			Do. pref.	9600	20	22½	14	14½
20½	10½	1	5.7	Inter. Pete.	17089	19½	20½	16½	18
5	2½			Inter. Power	....	4	..	..	..
24	8			Do. pref.	60	23	24	22	22
13½	5½			Int. Util. (A)	145	13	12½	11½	11½
4½	1			Do. (B)	3135	3½	4	2½	3
				J					
†40	40	1		Jam. Pub. Ser.	....	..	..	..	..
85	70	7	8.9	Do. pref.	....	78	..	..	..
				K					
7½	½			Kelvinator	30	7	6	6	6
75	55	7		Do. pref.	5	71	75	75	75
				L					
18½	5			Lake of Woods	1323	18½	18½	13	14
70	30			Do. pref.	90	66	67	65	65
80	80	6	7.5	Landed Bank	....	80	..	..	..
48	36	3	6.5	Laura Secord	257	46	46	45	45
6½	1½			Lindsay, C. W.	30	6	6	6	6
35	35			Do. pref.	....	35	..	..	..
21½	10½	80c	5	Loblaw (A)	14718	20	20½	15½	16½
21	10½	80c	5.2	Do. (B)	1398	19½	19	15½	16½
‡2½	2½			Loew's. London	....	..	..	..	..
				M					
4	2			MacKin. Steel	....	3½	..	..	..
†95	90			Do. pref.	....	..	..	..	..
3½	3½			Manitoba Pr.	....	3½	..	..	..
10½	3			Maple Leaf	245	9½	8½	8½	8½
25	5			Do. pref.	75	25	24	20	20
6	6			Marcus Loew's	....	6	..	..	..
60	35			Do. pref.	10	35	60	60	60
12	2½			Massey-Harris	21760	10	10	5	7½
15	7	60c	4.6	McColl Fron.	19709	14	15	11½	13
82	54½	6	7.7	Do. pref.	30	78	78	78	78
27	9½			Melchers (A)	29596	13½	27	9½	13
14	9½			Do. (B)	3160	..	14	9½	9½
†45	35			Mexican L & P	....	..	..	..	..
‡35	25			Mercury Mills	....	..	..	..	..
‡89	58½			Do. pref.	....	..	..	..	..
†40½	40			Mitchell, J. S.	....	..	..	..	..
x105	105	7		Do. pref.	....	..	..	..	..
17½	2			Mitchell, Robt.	2055	13½	14	9	9
†1	1			Monarch Knit.	....	..	..	..	..
50	20			Do. pref.	45	50	48	45	45
24	18			Montreal Cot.	....	23½	..	..	..
61	50	7	11.7	Do. pref.	125	60	61	60	61
½	½			Montreal Exhib	....	½	..	..	..
x11	5			Mont. Is. Pr.	....	..	..	..	..
42½	26½	1.50	4.1	Mont. L. & Pr.	21743	41	42½	35	38
42	39	3+.25	8.1	Montreal Loan	....	40	..	..	..
43	39	3.20	7.4	Montreal Tele.	410	42½	43	43	43
100	70	8	8.3	Montreal Tram	126	98	100	96	100
17½	4			Moore Corp.	1265	17	17	14½	16
107	65	7	6.7	Do. pref. A.	175	106	107	105	107
125	70	7	5.8	Do. pref. B.	53	125	125	110½	120
†10	10			Mt. Royal Hot.	....	..	..	..	..
‡49	49			Do. pref.	....	..	..	..	..
4	½			Muirheads	50	4	3	3	3
7	5			Do. pref.	....	7	..	..	..
				N					
29½	14½	1.60	6.7	Nat. Breweries	21983	28½	29	22	25½
32	27	1.75	5.6	Do. pref.	878	32	32	31	31
100	100	7	7	N. Groc. 2nd pf	10	..	100	100	100
18	14	2.40	13.3	N. Sew. Pipe A	....	18	..	..	..
18½	15			Nat. Steel Car.	4182	18	18½	13½	14½
212	165	8	4.4	National Tr.	....	180	..	..	..
x10	10			Niag. W. Weav	....	..	..	..	..
16½	16	75c§		Do. pref.	....	16	..	..	..
5	3			North Star Oil	3225	4	5	3	3
4½	1½	35c	9.3	Do. pref.	875	3½	4½	4½	4½
‡25	25			N.S. Steel, pf.	....	..	..	..	..
				O					
211	100	8	4.2	Ogilvie Flour	334	200	211	190	190
120	108	7	6	Do. pref.	....	115	..	..	..
12	4			Ont. Eq. 10% p	110	11	12	11	11
105	104	6	5.7	Ontario Loan	....	105	..	..	..
9	4			Ont. Silknit	15	9	7½	7	7
6	4½			Ont. Steel	....	6	..	..	..
†105	105			Do. pref.	....	..	..	..	..
2½	½			Orange Crush	285	2	2	1½	1½
14	5			Do. (A)	....	14	..	..	..
3½	½			Do. (B)	30	2½	2½	2½	2½
92	80	6	6.8	Ott. L. H. & P.	....	88	..	..	..
90	84	6.50	7.4	Do. pref.	....	88	..	..	..
8	5			Ott. Traction	....	5½	..	..	..
				P					
70½	40	3	4.5	Page Hersey	1086	68½	70½	65	66
18	18			Paton Mfg.	25	..	18	18	18
90	90	7	7.8	Do. pref.	100	90	90	90	90
47	20	3	6.6	Penmans	423	47	47	44	44
80	65	6	7.5	Do. pref.	10	80	80	80	80
16½	8			Photo Eng.	235	16	16½	15	15
†70	64	7		Porto Rico P. p	....	..	..	..	..
b40½	4			Postal Tele. p.	....	..	..	..	..
15½	6			Power Corp.	5172	14	14½	9	11½
60	26	6	10	Do. pref.	10	60	60	60	60
3½	½			Prairie C. Oil	50	3	3	3	3
26	8			Pressed Metals	867	23	23½	18½	18½
4½	1			Price Bros.	19495	1½	3½	1	1½
13	4			Do. pref.	380	4½	8	5	6
				Q					
24	11	1	5.6	Quebec Power	2799	23½	23½	17½	20
				R					
95	85	5	5.9	Real Estate L'n	....	85	..	..	..
5½	½			Regent Knit.	2604	5½	5½	3½	4
6	6			Reliance Grain	....	6	..	..	..
19	7	1	5.6	River. S. Mills	125	18½	19	18	18
14	5	1	9.1	Robinson Cone.	305	13	14	11	11
4	½			Rogers Majest.	817	4	4	3½	3½
183	123	8	4.8	Royal Bank	142	180	180	165	165
†84	75			Ruddy, E. L. p	....	..	..	..	..
x33	32½			Russell Motor	....	..	..	..	..
45	28	4	10	Do. pref.	10	35	40	40	40
				S					
x4	3			Sarnia Br. A.	....	..	..	..	..
2	1½			Do. (B)	5	1½	2	2	2
11½	2½			Serv. Station	3055	11	11	8	8½
48	16			Do. pref.	150	45½	48	47	47
22½	9½	50c	2.8	Shawinigan	23527	21	22½	16	19½
17½	4			Sher. Wms.	175	17½	16½	15½	15½
75	39			Do. pref.	....	75	..	..	..
9	4			Simon & Son.	100	8	8	7	7
61	50			Do. pref.	....	61	..	..	..
52	6			Simpson, Ltd.	412	50	52	44	45
5	5			Do. (A)	....	5	..	..	..
6½	1			Do. (B)	....	6½	..	..	..
85	46½	6	7.3	Simpson, R., p.	....	82	..	..	..
19	12	1	5.6	So. Can. Pr.	86	18½	18	18	18
85	68	6	7.1	Do. pref.	55	83	85	84	84
5.87	.15			St. Law. Corp.	16665	4.25	5.87	3.00	3.50
12½	1			Do. (A)	1195	11	12½	8	8½
55	15	1.50	2.7	St. Law. Flour	105	55	55	54½	54½
97	92	7	7.2	Do. pref.	....	97	..	..	..
25	2½			St. Law. Pap. p	286	24½	22½	18	18
13	4			Stand. Chem.	45	12	13	11	11
6	½			St. Pav. & Mat.	115	4½	5	3	4
25	16			Do. pref.	20	16	25	21	21
19½	1			Stand. Steel	25047	17	19½	8½	12½
47	47			Do. pref.	....	47	..	..	..
33	14½	1.20	4.2	Steel of Can.	3464	32½	32½	27½	29
34	22½	1.75	5.5	Do. pref.	600	34	34	31½	32
1	½			Sterling Coal	....	1	..	..	..
8	6			Stop & Shop	75	6	8	7½	8
*495	385			Sun Life Ass.	....	495	..	..	..
22½	12	1	5.4	Sup. Pete. ord.	685	21½	22	18	18½
18½	11½	1	5.5	Do. com.	....	18½	..	..	..
99	90	7	7.1	Do. pref.	....	99	..	..	..
				T					
40	40			Tamblyn	....	40	..	..	..
95	82	7	7.4	Do. pref.	30	91	95	94	95
17	10	■87½c		Thayers, pfd.	....	17	..	..	..
14	7½	40c	3.5	Thrift Stores	380	11½	14	11	11
30	21	1.62½	5.7	Do. pref.	225	24	30	21	26
12	1			Tip Top Tailors	15	8	9	9	9
67	35	7	10.8	Do. pref.	....	65	..	..	..
†22	10			Tooke Bros.	....	..	..	..	..
16½	12½			Do. pref.	5	16½	16½	16½	16½
27	12½	1		Tor. Elevators	95	27	27	23½	23½
167	138	8	5.3	Tor. Gen. Tr.	....	150	..	..	..
98½	90	6	6.3	Toronto Mtge.	....	95	..	..	..
1½	1			Traymore	250	1	1½	1½	1½
2	½			Do. pref.	10	2	2	2	2
112	107	7	6.2	Tuckett Tob. p	....	112	..	..	..
4	1			Twin City	....	4	..	..	..
b15	5½			Do. pref.	....	..	..	..	..
				U					
7½	2½			Union Gas	465	6	5½	5½	5½
x100	85			Union Trust	....	..	..	..	..
†8	8			United Fuel	....	..	..	..	..
17½	4½			Do. pref.	10	17½	14	14	14
7	7			Un. Amuse. A	....	7	..	..	..
80	19½	2	7.1	United Secs.	50	28	28	28	28
				V					
7	2			Viau Biscuit	140	5	7	5	7
40	35			Do. pref.	10	35	40	40	40
				W					
18½	4			Wabasso Cot.	680	16½	17	16½	16½
68	4			Walker-Good.	110209	62½	68	23	34
18½	9½	1	6.9	Do. pref.	56105	17	18½	12	15
8	1½			Waterloo Mfg.	106	5½	5	3½	3½
x80	75	7		W. Koot. Pr. p	....	..	..	..	..
18	4			West. C. Flour.	295	16½	17	13	13
70	45	3	4.7	Do. pref.	40	57	70	64	64
20	8			West. Grocers	95	16	18	18	18
75	54	7	9.3	Do. pref	136	75	75	74	75
†91	85			W. Steel Pr. p	....	..	..	..	..
49	16½	1	2.2	Weston	500	47	45	43	43
85	67	7	8.4	Do. pref.	30	85	83	83	83
5	3½			Whittall Can	....	4	..	..	..
45	30	6.50	14.4	Do. pref.	70	45	45	45	45
5	3			Windsor Hotel	....	5	..	..	..
12	5			Do. pref.	....	12	..	..	..
5	1			Winnipeg Elec.	2221	4	4½	3	4
10½	3½			Do. pref.	60	10	10	10	10
16	7			Woods Mfg., p.	....	16	..	..	..
				Z					
x1	1			Zimmerknit, c.	....	..	..	..	..

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* Stock dividend.
* Plus final dividerd of 17½c. paid Mar. 31.
■ Covers payment due Jan. 3 last and deferred; paid Mar. 15.
* See "Unlisted Stocks" also.
§ On arrears.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
July 25, 1933

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	28.00	29.50
Acadia Sugar 6% 1946	90.00	93.50
Alta. Pac. Grain 6% 1946	83.00	85.50
American Sales Book 6% 1939	98.50	....
B. A. Oil 5% 1945	99.50	101.50
Can. Biscuit 6½% 1946	28.00	32.00
Can. Bread 6% 1941	95.00	98.00
Can. Cement 5½% 1947	79.00	81.25
Can. Steamship 6% 1941	28.50	....
Can. Bakeries 6½% 1945	65.0$	75.00
Can Canners 6% 1950	93.350	97.50
Can. Copper Refin. 6% 1945	100.00	102.75
Can. Cottons 5% 1940	84.50	....
Can. Vickers 6% 1947	62.00	64.50
Cons. Invest. 4½% 1959	56.00	57.50
Cosmos Imp. Mills 6½% 1944	84.00	91.00
Davies, Wm. 6% 1942	98.00	100.00
Debenture & Sec. 4% 1936	65.25	....
Dom. Manufacturers 6% 1933	95.75	....
Dom Tar & Chemical 6% 1949	75.50	78.00
Dom. Telegraph 5½% 1978 "A"	88.00	....
Dom. Textile 6% 1949	102.00	....
Dom. Woollens 6% 1948	30.00	....
Donnacona Paper 5½% 1948	30.00	....
Eaton Realty 5% 1949	87.75	....
Famous Players 6% 1948	78.50	....
Federal Grain 6% 1949	80.00	84.25
Firestone Tire 7% 1937	104.00	....
Fraser Cos 6% 1932	28.00	....
Fraser Cos. 6% 1950	26.50	....
Galt Brass 7½% 1941	18.00	....
Goodyear Cotton 6% 1949	99.25	101.25
Great Lakes Paper 6% 1950	31.00	33.00
Gypsum, Lime & Alab. 5½% 1948	50.50	53.50
Harris Abattoir 6% 1947	99.75	102.50
Howard Smith 5½% 1953	74.50	76.50
Loew's Toronto 6% Serial	98.50	....
London Realty 6½% 1950	41.50	....
Maple Leaf Milling 5½% 1949	62.50	64.50
Massey-Harris 5% 1947	72.00	73.50
McColl-Frontenac 6% 1949	93.50	95.50
McKinnon Industries 6½% 1945	93.50	....
Mercury Mills 5½% 1953	50.00	....
Metropolitan Bldg. 7% 1944	84.50	89.50
Northern Ontario Bldg. 6½% 1939	64.50	71.04
Price Bros. 6% 1943	60.50	64.50
Richmond-Bay 6½% 1947	61.50	....
Simpsons Ltd. 5½% 1949	75.00	....
Simpsons Ltd. 6% 1949	79.00	80.50
Steel of Canada 6% 1940	103.25	105.00
Stop & Shop 6% 1947	61.50	....
Toronto Carpet 6% 1944	78.00	....
United Gas & Fuel 5½% 1948	72.00	....
United Grain Growers 5% 1948	81.00	83.50
United Grain Growers 5½% 1949	83.00	87.00
Wabasso Cotton 7% 1942	62.00	....
Western Grain 6% 1949	70.00	73.25
Public Utility Bonds:		
Bell Telephone 5% 1955	102.75	....
Bell Telephone 1957	102.25	....
B. C. Power 5½% 1960	92.75	95.25
B. C. Telephone 5% 1960	93.75	96.75
Calgary Power 5% 1960	86.25	....
Can. Northern Pwr. 5% 1953	82.00	84.00
Duke-Price Pwr. 6% 1966	77.50	....
French Nat'l Mail S.S. 1952	114.00	....
Gatineau Pwr 6% 1941 "A"	72.25	....
Gatineau Pwr. 5% 1956	81.50	83.50
Maclaren Quebec 5½% 1961	83.75	86.25
Manitoba Power 5½% 1951	49.00	54.50
Montreal Isl. Pwr. 5½% 1957	94.50	....
Montreal LH&P 5% 1951	102.50	....
Montreal LH&P 5% 1970	102.75	....
Montreal Tram 5% 1941 July	96.00	97.50
Montreal Tram 5% 1955	79.00	81.00
Northwest. Utilities 7% 1938	99.00	101.50
Ottawa Valley Pwr. 5½% 1970	98.00	....
Quebec Power 5% 1968	94.50	97.50
Rio Tramways 5% 1935	97.50	100.25
Shawinigan W & P 4½% 1970	76.50	....
Shawinigan W & P 5% 1970	85.50	....
Shawinigan W & P 6% 1937	94.25	....
Southern Can. Pwr. 5% 1955	97.00	99.25
West Kootenay Pwr. 5% 1956	97.50	99.25
Government, Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	100.00	101.50
C. N. R. 4½% 1957 Dom. Gtd.	100.00	100.75
C. N. R. 5% 1969 Dom. Gtd.	106.00	106.75
C. P. R. 4½% 1944	85.25	86.75
C. P. R. 6% 1942	111.00	112.25
Dom. of Can. 5% 1936	102.50	103.25
Dom. of Can. 5% 1941	103.25	104.25
G. T. P. 3% 1962 Dom. Gtd.	81.25	82.25
G. T. P. 4% 1962 Dom. Gtd.	94.75	96.00
Ont. Hydro 3½% 1952 Ont. Gtd.	91.00	92.50
Ont. Hydro 4¾% 1970 Ont. Gtd.	100.25	101.25
Ont. Hydro 4% 1957 Ont. Gtd.	92.25	93.50
Prov. of N B. 5% 1957	100.50	101.25
Prov. of Ont. 5½% 1947	106.50	108.00
Prov. of Ont. 5% 1948	103.00	104.50
Prov. of Ont. 5½% 1946	106.75	108.00

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

July 25, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	90.00	5.21
Alberta	5	1 July, 1943	1 Jan.	96.50	5.45
Alberta	6	1 Mar., 1947	1 Sept.	104.00	5.59
*British Columbia	4½	1 Oct., 1953	1 Oct.	90.00	5.30
*British Columbia	5	15 Jan., 1948	15 Jan.	96.00	5.40
British Columbia	6	15 Feb., 1947	15 Aug.	104.00	5.59
Manitoba	4	1 July, 1942	1 Jan.	83.00	5.79
*Manitoba	5	2 Dec., 1959	2 Dec.	95.50	5.32
Manitoba	6	1 Apr., 1947	1 Oct.	101.50	5.84
*New Brunswick	4	1 June, 1948	1 Dec	92.00	4.75
*New Brunswick	4½	15 June, 1936	15 Dec.	100.00	4.75
New Brunswick	5½	1 May, 1950	1 Nov.	105.50	5.01
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.00	4.50
Nova Scotia	5	1 May, 1943	1 Nov	102.00	4.75
*Ontario	4½	1 Sept. 1944	1 Sept.	101.50	4.33
Ontario	5	15 Oct., 1948	15 Oct.	104.75	4.57
Ontario	5½	1 Feb., 1947	1 Aug.	108.00	4.69
P. E. I.	4	1 Apr., 1939	1 Oct.	95.87	4.80
P. E. I.	6	1 May, 1947	1 Nov.	111.05	4.90
*Quebec	4½	1 May, 1961	1 Nov.	102.00	4.13
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	88.00	5.43
*Saskatchewan	5	1 Nov., 1959	1 Nov.	93.00	5.50
Saskatchewan	6	15 Mar., 1952	15 Sept.	101.00	5.91
*Newfoundland	5	31 Dec., 1952	31 Dec.	76.00	7.33
*Newfoundland	5½	1 July, 1939	1 Jan.	78.00	10.54
*Newfoundland	6½	30 June, 1936	31 Dec.	88.00	11.31
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	104.83	4.70
*Toronto	4½	1 Jan., 1955	1 Jan.	100.00	4.50
*Vancouver	5	15 Jan., 1970	15 Jan.	88.60	5.75
Winnipeg	5	1 Mar., 1944	1 Sept.	92.00	6.00
*Edmonton	5½	1 Apr., 1947	1 Oct.	92.00	6.36
Calgary	5	1 Jan., 1948	1 Jan.	87.87	6.75
Halifax	6	1 July, 1951	1 Jan	115.01	4.75
Saint John	5	15 Dec., 1950	15 Dec.	102.95	4.75
Regina	4½	1 July, 1950	1 Jan.	79.60	6.50
Victoria	5	21 July, 1945	21 July	92.34	5.90
Quebec	5	1 June, 1948	1 Dec.	101.00	4.90

*Payable in New York.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Bank of Montreal	$8	$2	Sept. 1	July 31
Bank of Toronto	$10	$2.50	Sept. 1	Aug. 15
Beatty Bros., pref	6%	1½%	Aug. 1	July 15
Belding Corticelli c.	$4	$1	Aug 1	July 15
Can. Converters	$2	50c	Aug 15	July 31
Can. Dredge, pref	7%	1¾%	Aug. 1	July 21
Can. Industries A & B	$3.50	87½c	July 31	June 30
Can. Bronze	60c	15c	Aug. 1	July 20
Do., pref.	$7	$1.75	Aug. 1	July 20
Calgary Power pref.	$6	$1.50	Aug. 1	July 15
Can. Southern Rly. c	$3	$1.50	Aug. 1	June 30
Can. Bank of Commerce	$8	$2	Sept. 1	July 31
Canadian Oil, c.	50c	12½c	Aug. 15	Aug. 1
Can. Hydro-Elec , 1st pfd.	6%	1½%	Sept. 1	Aug. 1
Can. Silk Products A	$1.50	37½c	Aug. 31	Aug. 15
Dominion Bridge	$2	50c	Aug 15	July 31
Do.	...	50c	Nov. 15	Oct. 31
Dom. Scottish Inv. pref.	$1	25c	Aug. 1	July 20
East. Theatres, pref.	$7	$3.50	July 31	June 30
Do., com.	$2	50c	Sept. 1	July 31
Goldfield Cons. (interim)	...	5c	Aug. 31	Aug. 16
Guelph Carpet pref.	$6.50	$1.62½	Aug. 1	July 20
Humberstone Shoe	$2	50c	Aug. 1	July 12
Hollinger Gold	65c	5c	Aug. 12	July 28
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 3
Imperial Bank	$10	$2.50	Aug. 1	June 30
Loblaw Groceterias A & B	80c	20c	Sept. 1	Aug. 12
Merland Oil (interim)	...	5c	Sept. 15	Aug. 15
McIntyre Mines	$1	25c	Sept. 1	Aug. 1
Do., extra	50c	12½c	Sept. 1	Aug. 1
Do., extra	...	12½c	Sept. 1	Aug. 1
Montreal L. H. & P.	$1.50	38c	July 31	June 30
National Biscuit pref.	$7	$1.75	Aug. 31	Aug. 15
Penmans	$3	75c	Aug 15	Aug. 5
Do., pref.	$6	$1.50	Aug. 1	July 21
Quebec Power	$1	25c	Aug. 15	July 26
Royal Bank	8%	2%	Sept. 1	July 31
Russell Motor, pref.	$4	$1	Aug. 1	July 24
Shawinigan W. & Pr.	50c	13c	Aug. 15	July 24
Steel of Canada	$1.20	30c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
St Law. Flour	$1.50	37½c	Aug. 1	July 20
Do pref.	7%	1¾%	Aug. 1	July 20
Southern Can. Power c.	$1	25c	Aug. 15	July 31
Sterling Pacific Oil interim	...	3c	Aug. 1	July 15
Teck-Hughes	60c	15c	Aug. 1	July 13
Weston, pref.	7%	1¾%	Aug. 1	July 20

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
July 25, 1933

Industrial Stocks	Bid	Asked
Acadia Sugar c.	.85	....
Acadia Sugar 6% pfd.	3.60	....
Acme Farmers Dairy 7% pfd.	59.50	....
Agnew Surpass 7% pfd.	68.00	....
Allens London 7% pfd. bonus c.	33.00	....
Allens St. Cath. 7% pfd. bonus c.	33.00	....
Allens Toronto 7% pfd. bonus c.	21.50	....
Andian Nat. Corp. U.S. funds	25.00	28.00
Atlantic Sugar "A" pfd.	80.00	89.50
B.C. Pulp & Paper pfd.	6.00	10.00
Burns pfd. bonus com.	10.00	13.00
Canada & Dom. Sugar	32.00	33.00
Canada Mach. c.	4.50	6.25
Canada Mach. pfd.	20.25	....
Canada Pack. c.	31.00	33.50
Canada Pack. pf.	100.50	102.50
Canada Starch 7% pfd.	62.50	....
Canada Tea 7% pfd.	45.00	60.00
Canada Wire & Cable 6½% pfd. W.W.	63.00	....
Can. Industries c. "A"	102.00	....
Can. Industries c. "B"	100.00	105.00
Can. Industries 7% pfd.	119.00	122.50
Can. Westing.	50.00	54.00
Chase, A. W., pfd. bonus c.	....	9.25
Claude Neon Gen. Adv. Units	5.00	10.00
Dodge Mfg. "A" pfd.	....	7.25
Dom. Foundries & Steel 8% pfd.	45.50	55.00
Dom. Foundries & Steel c.	5.50	7.00
Dom. Mfrs. 7% pf.	65.50	....
Dunlop Tire 7% pfd.	48.00	....
Eastern Dairies Ltd. 7% pfd.	20.00	....
Edmonton Stockyards Units	38.50	52.00
Fed. Grain c.	2.75	....
Fed. Grain 6½% pfd.	34.00	....
A. J. Freiman pfd.	55.00	60.00
Gen. Steel Wares pfd.	14.50	17.00
Goderich Elevator & Transit	6.00	7.50
Greening Wire 7% pfd.	51.00	....
Guelph Carpet 6½% pfd. bonus	65.00	71.00
Guelph Carpet c.	6.25	....
Inter City Bak. c.	14.50	....
Inter. Proprietaries "A"	31.00	32.50
Langleys Ltd. 7% pfd.	33.00	37.00
Loew's London c.	.25	.75
Loew's London 7% pfd.	3.00	4.00
Loew's Toronto 7% pfd.	45.50	....
Massey Harris 5% pfd.	26.00	27.00
Medical Arts pfd. bonus c.	97.00	....
Mount Royal Hotel com.	.25	.85
Mount Royal Hotel 6% pfd.	3.00	4.25
Nat. Grocers c.	1.75	....
Nat. Grocers 7% 2nd pfd.	85.00	....
Ont. Silknit pfd.	40.00	45.00
Paramount Kitchener pfd.	29.25	....
Paramount Oshawa c.	2.00	....
Paramount Oshawa pfd.	33.00	....
Provincial Paper 7% pfd.	59.50	62.00
Reliance Grain 6½% pfd.	60.00	....
Rolland Paper 6% pfd. W.W.	42.50	....
Serv. Stations "A" pfd.	39.50	....
Standard Clay Prod. com.	....	15.00
Standard Fuel 6½% pfd. bonus	66.00	....
Supersilk pfd. bonus	31.00	....

Ind. Stock cont'd.	Bid	Asked
Supertest Petroleum "B"	19.25	23.00
Toronto Elevators 7% pfd.	93.00	97.00
United Corpns. Ltd. "A"	2.25	....
Un. Grain Growers	14.00	15.50
Western Grain 6½% pfd. bonus	18.00	21.00
Western Grocers pfd.	72.25	....
Insurance Stocks:		
Br. Amer. Assce.	25.50	....
Canada Life Ass.	397.00	425.00
Can. Fire Ins.	50.50	58.00
Confederation Life 20% pd.	120.00	125.50
Continental Life 20% pd.	38.50	44.00
Crown Life Ins.	96.00	110.00
Dom. Fire Ins.	85.00	....
Dom Life 50% pd.	142.00	....
Dom. of Can. Gen. Ins.	91.00	102.50
Empire Life 25% pd.	8.50	12.50
Excelsior Life 30% pd.	69.50	....
Fidelity Ins. Co.	49.00	....
Gt. West Life Assce.	281.00	300.00
Guar. Co. of N.A.	247.00	....
Imperial Life	270.00	....
Mfrs. Life Ins.	251.00	....
Monarch Life 10% pd.	15.50	....
National Life 25% pd.	55.00	64.00
Saskatchewan Life 10% pd.	7.00	11.00
Sovereign Life 25% pd.	18.00	....
Sun Life Assur.	440.00	480.00
Western Assur. c.	14.00	18.00
Western Life 20% pd.	8.00	11.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	151.00	160.00
Can. Gen. Invest. Ltd.	5.15	5.40
Can. Investors Corp.	5.50	6.50
Chartered Trust	55.00	....
Deb. & Sec. 5% pfd.	16.50	....
Dom. & Anglo Invest. Units	200.00	....
Eastern Can. Sav. & Loan	110.00	115.50
Eastern Trust	138.00	144.00
Guelph & Ont. Inv. par $50	46.50	51.00
Investment Foundation Units	32.00	36.50
Lambton Loan & Savings	50.50	58.00
London & Western Trust	....	51.50
Mtge. Disc. pfd.	1.40	2.25
Premier Trust	85.50	....
Provincial Bank	84.00	88.50
Security Loan & Savings	100.00	....
Sherbrooke Trust	100.50	110.00
Sterling Trust	....	45.50
Traders Finance "A" c.	.50	....
7% "A" pfd.	26.50	....
Traders Finance Trusts & Guar.	29.00	33.00
Victoria Trust & Savings	130.50	140.00
Waterloo Trust & Savings	90.50	100.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	95.50	97.50
Calgary Power 6% pfd.	78.50	82.00
Can. Light & Power c.	21.50	25.50
Can. West. Nat. Gas LH&P pfd.	78.50	82.00
Maritime Tel. & Tel. c.	8.25	9.25
Maritime Tel. & Tel. 7% pfd.	10.50	11.25
N.B Telephone c.	7.25	8.50
N.S. L&P c.	28.00	....
N.S. L&P 6% pfd.	69.50	....

Recent London Quotations:

Brewers & Distillers	8s.
Can. & For. Secs.	3s. 6d.
Can. West. Lumber	1s. 4½d.
Hudson's Bay	28s. 9d.
Do., 5% pref.	87s. 6d.
Internat. Holdings	$2⅞
Nfld. Pr. & Pap. deb. stock "B"	$8½
Trust & Loan of Can.	3s. 1½d.

Listed Bond Quotations

Week Ending July 24, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Abitibi, 1st mtge.§	5	1953	...	32	...	...	18	13
Asbestos	5	1942	...	21½	...	...	*65½	49
Asbestos, 1st mtge.	6	1941	...	5½	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can. Cottons	5	1940	8.11	...	...	...	84½	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Pr. (Laur.)	5½	1958	...	6	...	...	3	3
Do., (Way. Ser.)	5½	1958	...	6	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	68	...	...	*83½	...
Cedar Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	†3.00	3.00	...	3.00	1.00
Mex. L. & Pr.	5	1940	...	55	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	44½	47½	43½	47½	39½
Mont. Tr. 1st mtg.§	5	1941	5.46	...	97	...	98½	95½
Mont. Trams. A§	5	1955	6.75	...	80	...	79½	58
Do., G. & Ref. B	5	1955	7.47	...	...	...	73½	...
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	6.86	...	...	...	77½	76½
N. S. Steel	5	1959	...	...	...	...	*62½	58
Ontario Steel	6	1943	...	87½	...	...	80	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	...	...	...	*86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*102½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	106.25	....	....	116.25	114.25
Victory Loan	5½	1933	4.21	100.10	100.00	....	100.75	100.00
Do.	5½	1934	4.20	101.00	....	....	102.60	101.15
Do.	5½	1937	3.25	108.50	....	....	110.25	109.25
Do., refund	4½	1940	4.26	101.00	....	....	101.25	99.70
Do., refund	5	1943	4.44	104.00	....	....	103.37	101.85
Do., refund	4½	1944	4.47	100.25	....	....	100.50	98.75
Do., refund	4½	1946	4.38	100.25	....	....	*92.25	91.50
Oo., renewal	4	1952	4.37	94.50	95.25	....	95.25	91.63
Conversion Loan	4½	1956	4.11	....	....	....	98.50	97.00
Do.	4½	1957	4.56	99.50	....	....	99.00	96.00
Do.	4½	1958	4.53	99.50	....	....	99.58	97.75
Do.	4½	1959	4.46	100.50	....	....	100.87	97.50
Nat. Service Loan	5	1936	3.94	102.75	....	....	103.25	101.50
Do.	5	1941	4.46	103.75	....	....	103.75	100.75
Dom. Loan	4	1935	3.93	99.75	....	....	99.75	99.75

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Winnipeg Stock Exchange

(Transactions for week to July 22)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close July 22
..	..	Canada Cement, c.	20	10	10	10
..	..	Central Manitoba	700	.12	.12	.12
..	..	Dalhousie Oil	20	1.25	1.25	1.25
20	6.7	Great West Life	15	300	300	300
..	..	Macassa	1,000	.69	.69	.69
..	..	San Antonio	636	1.14	1.10	1.10
..	..	Sherritt Gordon	500	1.58	1.58	1.58
1.20	3.9	Steel of Can.	45	30¾	30¾	30¾
1.25	9	United Grain Grow.	50	14½	13⅝	13⅝
..	..	Western Grocers, c.	65	17½	16	17½

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Lumber c.	5	..	Pelissiers, com.	½	1
Beaver Fire	..	100	Reliance Grain pfd.	55	..
City Dairy 7% pf.	..	35	Sovereign Life	13½	..
City Dairy 8% pf	..	40	Traders Bldg.	65	..
Cres. Creamery, pf.	..	40	Can. Amer. Tr. shs.	..	3½
Monarch Life	15	..	Fundamental Ser. A	..	4½
Nor. Mtg. part pd.	..	5	Fundamental Ser. B	..	4½
Northern Trust	15	19	Group. Income Shs.	..	4.40

*Stocks more active on other exchanges not included.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotaiton giving an idea of approximate price is better than none at all.

SEABOARD POWER GIVEN VALUATION

Dosco Subsidiary Valued at $3,270,027 by N. S. Utility Board

From Our Own Correspondent

MONTREAL. — Public Utilities Commission of Nova Scotia has placed a valuation of $3,270,027 on the property of the Seaboard Power Corp.

This company, a wholly-owned subsidiary of Dominion Steel and Coal Corp., serves the public in Sydney, Glace Bay, North Sydney and other towns and districts in Northern Cape Breton. It owns a modern steam generating station and operates under lease stations at New Waterford, Dominion No. 2 and Sydney, owned, and formerly operated by Dominion Steel and Coal and Dominion Coal Co.

Four Main Customers

The system supplies primarily the requirements of the coal and steel companies, the Nova Scotia Steel and Coal Co., the Eastern Light and Power Co., and the Dominion Utilities Co.

The valuation of the Seaboard Power Co.'s property was sought so that the commission could decide on a rate schedule sought by the company.

Engineers appraised the property at $3,092,027. To this the board added $25,000 for organization and legal expenses, $100,000 for working capital, and $50,000 for the value as a going concern, making $3,270,027 in all.

Consolidated Industries Feels Recent Improvement Report Shows $451,412 Loss

Inventories Have Been Written Down to Low Figure

OUTLOOK BETTER

Gets Contract For Automobile Radios; Trade Creditors Extend Payments Over Four Years

Business of Consolidated Industries Ltd. has shown marked improvement in the past four months when comparison is made with figures for the corresponding period of 1932, according to Major J. E. Hahn, president of the company. Inventories have been very materially reduced and improved demand for products of the company is in evidence. The extent of this demand will depend entirely upon improvement in general business conditions in Canada but with the year's radio business still ahead it appears that the company will not show any substantial loss in the current fiscal year. Recent closing of a large contract for automobile radio sets with one of the largest automobile manufacturers in Canada in face of strong competition with other radio manufacturers leads to the belief that this class of business will be an important factor in 1934.

The belated report of the company for the year ended March 31, 1933, presented at the annual meeting of shareholders held in Toronto on July 27 showed an operating loss of $451,412 as compared with loss of $236,832 in the preceding year. Provision for reserves and write-offs, in addition to this loss, changed a surplus of $383,650 to a deficit of $188,502. In large part the deficit was due to losses on inventory which were increased by losses on operations and losses on dealers' accounts. In the current fiscal year the company is budgetting for a lower volume of sales than in 1932-33 and it is expected that the company will about break even on this lower volume. So far, with four months of the current fiscal year practically complete, budget figures have been closely adhered to.

The profit and loss account for the past two fiscal years is as follows:

Income and Surplus Account Years Ended March 31

	1933 $	1932 $
Loss on operations*	451,412	236,832
Add: Divds. paid	......	112,754
Loss for year	451,412	349,586
Previous surplus	383,650	733,236
Less: Res. for doubtful accts.	95,000	......
Res. for inc. tax	15,300	
Install. chgs. w/o on removal of Norge plant from Dufferin to Carlaw Ave.	10,440	......
Deficit	188,502	†383,650

*After providing for all manufacturing costs, selling and administration expense including depreciation of $21,339 in 1932-33.
†Surplus.

Working capital position has been depleted but an arrangement has been made with trade creditors so that accounts payable to the extent of some $180,000 can be paid off over a period of four years. The chief remaining current liability is a bank loan of $639,660 which is all secured. Since March 31, this amount has been reduced by slightly over $100,000, while accounts payable and accrued charges amounting to $251,528 have been reduced to $205,000.

Current assets consist of accounts receivable of $259,337, chiefly with dealers and after provision of some $65,000 for doubtful accounts. This figure compares with $566,880 at the end of the preceding year. Notes and contracts receivable, less margins withheld and reserves, are down to $139,789 from $431,298. This item represents customer financing done by Universal Acceptance Corp., a subsidiary that is gradually being liquidated. Inventories are down to $392,398 from $571,864 and have been further reduced during the current fiscal year. Amounts due by shareholders, officers and directors are shown in the report at $16,970 against $25,153 the preceding year and this item is understood to be around $2,000 at present. Working capital position is as follows:

Working Capital Position at March 31

	1933 $	1932 $
Current assets	816,988	1,598,194
Current liabs.	639,660	1,128,474
Working capital	177,328	469,720

Additions to plant and equipment at cost were $58,827 and after increased depreciation reserve of $121,879 the value of properties and equipment is shown at $348,715 with goodwill, licenses, trademarks, contracts, etc., remaining at $400,000. Tools and dies have been written down to $35,000 from $46,108. Prepaid charges are shown at $23,813. There remain outstanding 141,468 shares of no par value common stock carried at $884,175 which is subject to deduction of deficit account of $188,502.

Sales of electric refrigerators are reported as satisfactory with practically no inventory remaining, electric washers have been selling well while the market for radios does not start until the fall but inventories are considerably lower than in July, 1932. Sales of electric clocks have been slow and are expected to lag. Inventories have been written down to market or cost whichever is lower and, since the market is fairly well cleared of distress merchandise, it is not anticipated that the extreme competition that existed during 1932 will cut profit margins if general business conditions continue at present or higher levels. The outlook is rather for increased prices in various lines due to increase in prices of raw materials.

See page 2 for information as to how a complete analysis of this company can be obtained.

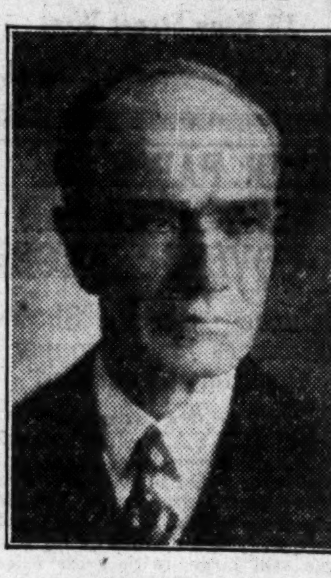
Panning Gold in Saskatchewan

Panning gold with a mechanical outfit on the northwestern shores of Beaver Lake, Saskatchewan, just over the boundary from the Flin Flon operations, a party of three headed by A. J. O. Collette, are recovering about 15 pounds of concentrates and one-half an ounce of gold daily. Work has been under way since about the middle of June.

Naphtha Price Advances

The price of crude naphtha paid to Turner Valley producers has advanced 17 cents per barrel dating from July 21, according to the announcement of the Imperial, Regal and Bell refineries taking production from the Valley.

Joins Life Board



HECTOR McINNES, K.C.
Of Halifax, vice-president, Bank of Nova Scotia; governor, Dalhousie University, recently elected a director of North American Life Assurance Co.

Montreal Bank Tops Group Offering Quebec Bonds

From Our Own Correspondent

MONTREAL. — Bank of Montreal and Banque Canadienne Nationale head a syndicate of 22 banks and investment bankers offering $10,350,000 of 25 year 4½ per cent, non-callable, sinking fund bonds of the Province of Quebec. The offering price is 97.75 and accrued interest, yielding about 4.40 per cent.

These bonds are a direct obligation of the province and are a charge as to principal and interest upon the Consolidated Revenue Fund. The bonds are issued to reimburse the Consolidated Fund for advances made on capital expenditures.

Both principal and interest on these bonds is payable only in lawful money of Canada.

NATIONAL LIGHT COVERS INTEREST BUT PROFIT DOWN

Cash Position is Strengthened and Fixed Assets Increased

Net earnings of National Light and Power Co. in the year ending December 31, 1932, were $246,375 as compared with $270,681 in the preceding year and the company earned interest on its $2,000,000 of 6 per cent first mortgage bonds 1.40 times after depreciation as compared with 1.79 times in 1931. Earnings on the 11,000 shares of 7 per cent first preference stock amounted to $3.07 per share as compared with $7.34 per share in 1931. No preferred dividends were paid in 1932.

Gross revenue of the company was down to $499,053 from $537,751 and operating and maintenance charges were down in proportion. The income and surplus accounts as reported by Iowa Southern Utility Co., the parent company for the past two years are as follows:

Income and Surplus Account, Years Ended Dec. 31,

	1932 $	1931 $
Gross revenue	499,053	537,751
Less: Oper. & maint.	183,661	195,809
	315,392	341,942
Less: Salaries, rents, taxes, misc. exp.	69,017	71,261
Net earnings	246,375	270,681
Less: Deprec. res.	25,616	27,211
Sundry int.	41,272	16,407
Int. on 10-yr. notes	12,000	12,000
Int. on 1st mtge. bonds	120,000	120,000
Bond & note disc., w/o	9,870	9,840
Employees' pension fund	2,403	3,004
Inc. tax res.	1,500	1,500
Net profit	33,714	80,719
Less: Pfd. divds.	......	64,167
Surplus for year	33,714	16,552
Add: Prev. surp.	28,956	8,583
Inc. tax adjust.	138	3,821
Balance forward	62,808	28,956

Working capital position is somewhat lower. Cash improved although increase in current liabilities has reduced the ratio of current assets to current liabilities to 3.56 to 1 from 3.85 to 1 at the end of 1931. At December 31, 1932, cash amounted to $52,353; accounts receivable to $96,343 and inventories to $42,907. Chief item in current liabilities was accrued interest on bonds, notes, etc., amounting to $22,904, while consumers' deposits were $16,963 and accounts payable $12,477. Working capital position is as follows:

Working Capital at Dec. 31

	1932 $	1931 $
Current assets	191,603	199,346
Current liab.	53,844	51,732
Working capital	137,759	147,614
Ratio	3.56—1	3.85—1

Valuation placed on properties, plants, equipment and franchise is shown as being up to $3,413,048 from $3,351,220. Bond and note discount, less amounts written off, is down to $147,388 from $156,321 while investments in and advances to subsidiaries are up to $68,975 from $39,096. Commission on preferred stock organization expenses and the contributions to city industrialization fund on acquisition of properties remains at $499,088. The parent company is owed $200,000 secured by 6 per cent gold notes due May 1, 1940, and $668,604 on notes payable January 1, 1935, in U. S. funds. The amount of notes payable in 1935 has increased by $60,604 in the past year. Demand note payable in Canadian funds is down to $65,500 from $115,500. Depreciation reserve on plant and equipment is up to $60,896 from $37,720.

In 1932 the company had an output of 20,863,868 kw.h. as compared with 22,704,301 kw.h. in 1931 and 23,146,972 kw.h. in 1930. Operations are restricted to the city of Moose Jaw although power is supplied to surrounding points.

See page 2 for information as to how a complete analysis of this company can be secured.

Loblaw Sales Show Seasonal Decline

Sales of Loblaw Groceterias Co. showed the usual summer decline in the four weeks ended July 1 with sales at $986,861 as compared with $1,049,378 in the corresponding period of 1932. This is the first period of the fiscal year. The drop in sales amounts to 5.95 per cent which compares favorably with a drop of 8.1 per cent in sales during June, 1932, compared with sales during June, 1931. Sales of chain stores are usually lower during the summer months due to absence of regular customers on holidays and increased consumption of fresh fruits and vegetables.

Net profit of Loblaw Groceterias during the four weeks ended July 1, is reported at $55,266 which represents a drop of 19.96 per cent from profit of $69,051 shown in the corresponding period of 1932. Reduction in profits is understood to be the result of lag in increase of retail prices while wholesale prices were moving upward. In the first four weeks of the 1932-33 fiscal year, profit was only 2.5 per cent lower than in the same period of 1931.

Mining Stock Quotations

Week Ending July 24.

Par Val.	Range 1933 High	Range 1933 Low	Company	Sales	Close July 17 (or last)	High for week	Low for week	Close July 24
1	.05	.03	Abana	......	.03	.....	.....	.....
1	.02½	.00½	Aconda	6,000	.02½	.02½	.01	.02
No	.20	.03	Aldermac	200	.10	.18	.18	.18
1	.03⅞	.01	Alexandria	160,150	.03½	.03⅞	.02½	.02½
No	.06	.02	Algoma	457,600	.05½	.06	.03	.04½
1	.01½	.00½	Algonquin	40,500	.00½	.01	.00⅞	.01
1	.06	.00½	Amity C.	233,300	.03¼	.05½	.03⅞	.04½
No	.74	.10	Amulet	290,814	.60	.74	.55	.65½
1	.01	.00½	Apex	......	.00½	.....	.....	.....
1	.05½	.02	Area	47,100	.04½	.05½	.04	.04½
No	.04½	.01⅞	Arno	284,200	.03	.03½	.02½	.03½
1	1.36	.74	Ashley	2,200	1.20	1.20	1.05	1.05
1	.14	.02½	Bagamac	25,000	.07	.07	.05	.05½
1	.03	.00⅝	Baldwin	......	.01½	.....	.....	.....
1	.20	.08	Barry Hollinger	47,750	.10½	.11	.09	.09
1	2.45	.75	Base Metals	34,115	2.33	2.40	1.80	2.10
No	1.00	.98	Beattie	......	.98	.....	.....	.....
1	.40½	.08	Big Missouri	74,725	.24	.25	.19	.21
1	.27½	.08⅝	Bobjo	90,950	.23	.25	.20	.20
No	9.60	2.28	Bralorne	18,121	9.25	9.60	8.50	9.60
1	.25	.15	Brett Trethewey	23,200	.21	.25	.21	.23½
1	.07½	.01½	Brownlee	232,050	.04½	.05½	.04½	.05
1	.03	.00½	Buckingham	640,700	.01½	.03	.01	.02
No	.04½	.01½	Buffalo Can.	4,000	.03	.03	.02½	.03
5	19.00	15.60	Bulolo	3,800	17.90	19.00	15.50	15.50
No	.10	.01½	Bunker Hill	392,200	.08	.10	.08½	.09
5s	1.25	.60	B'Wana McKubwa	......	1.23	.....	.....	.....
No	.05	.02½	Canam Metals	......	.05	.....	.....	.....
1	.12½	.03	Can. Kirkland	113,800	.08	.09½	.07	.08
1	.01	.00½	Capital Rouyn	......	.00½	.....	.....	.....
1	.03½	.01	Cartier Malartic	......	.01½	.....	.....	.....
1	.72	.15	Castle Trethewey	87,325	.62	.63	.45	.57
1	.18	.05	Cen. Manitoba	48,100	.12	.13	.10	.10
1	.40	.17	Cen. Patricia	97,775	.32	.40	.30	.37
No	.20	.03	Chibougamau Pros.	82,700	.13	.14½	.11½	.12
No	.10½	.03	Church. M. & Mill.	51,500	.04½	.08½	.04½	.08½
No	.04	.00⅞	Clericy	185,500	.03½	.03½	.02½	.02½
1	.03	.01	Clifton Cons.	61,500	.02½	.03	.01½	.02
5	9.00	1.65	Coast Copper	3,270	7.25	7.50	5.50	6.00
1	.15	.00½	Cobalt Contact	494,600	.08½	.15	.08½	.12
1	.33	.05	Columario	192,700	.21½	.33	.19	.20
5	1.90	.75	Coniagas	600	1.60	1.40	1.35	1.35
No	.60	.20	Coniaurum	600	.58	.60	.55	.60
25	142.00	54.00	Cons. Smelters	11,884	138.50	142.00	110.00	126.00
No	39.50	13.60	Dome Mines	51,441	36.00	39.50	28.00	32.50
No	.15½	.03½	Dom. Explorers	330,400	.13	.15½	.08	.09
1	.01	.00½	Dominion Kirk.	1,000	.00½	.01	.01	.01
1	.04	.01	Don Rouyn	11,000	.02	.02	.02	.02
1	.04½	.02	Duparquet	4,800	.03½	.02½	.02½	.02½
1	8.10	1.16	Eldorado	380,704	7.30	8.05	4.05	5.65
No	4.55	1.80	Falconbridge	28,285	4.15	4.45	3.60	3.90
1	.06	.01	Federal	24,750	.03	.03½	.02½	.03
No	.06	.01	Gilbec	204,700	.05	.05½	.04½	.05
1	.17	.04	Goldale	63,350	.15	.17	.11	.14
10	.29	.10	Goldfield	7,200	.20	.23	.18	.18
.	.01½	.01	Gold Reef	......	.01	.....	.....	.....
1	.12	.02	Goodfish	34,100	.08	.09½	.08	.08½
1	.04	.01	Graham	24,500	.03	.03½	.02	.02
1	1.95	.98	Granada	46,875	1.22	1.22	.98	1.10
1	.18	.06	Grozelle	7,000	.07	.16	.13	.13½
1	.41	.24	Halcrow Swayze	2,550	.39	.41	.39	.41
1	.06	.02	Harker	28,000	.04½	.05	.03½	.04
1	.01½	.00½	Hilltop	44,500	.01	.01½	.01	.01½
5	10.90	6.00	Hollinger	65,245	10.25	10.90	8.90	9.95
1	1.00	.61	Howey Gold	138,900	.92½	.96	.88	.90
No	12.25	3.10	Hudson Bay	11,940	11.25	12.25	9.00	10.50
No	.45	.25	Huronian	680	.45	.45	.40½	.40½
1	12.00	12.00	Inter. Mining	......	12.00	.....	.....	.....
.	4.00	4.00	Do., Pur. Warr.	......	4.00	.....	.....	.....
No	23.25	8.00	Int. Nickel	278,828	20.75	23.25	16.00	19.40
1	.03½	.00½	Jackson Manion	49,000	.02	.02½	.01½	.02½
1	.70	.20	Keeley	950	.65	.50	.50	.50
1	.02	.00½	Keora Mines	......	.00⅞	.....	.....	.....
1	.76	.48	Kirk. Hud. Bay	4,000	.56	.62	.55	.55
1	.02⅞	.00½	Kirk. Hunton	29,600	.01	.02½	.01	.01½
1	.52	.30	Kirkland Lake	74,650	.38	.43	.35	.36
1	.04	.01½	Kirkland Premier	16,500	.03	.03½	.03	.03
1	.52	.12	Kirk. Townsite	131,410	.46	.48	.33	.42
20c	.02⅞	.00½	Koot. Florence	20,000	.02	.02½	.01½	.01½
1	.35	.15	Lakeland	10,200	.29	.32	.29	.30
No	.32	.07	Lake Maron	278,500	.25	.32	.18½	.24
1	47.60	30.75	Lake Shore	23,917	44.75	47.60	39.50	45.25
1	.16	.02½	Lebel Oro	79,000	.12	.16	.12	.14
No	.29	.12	Lee Gold	57,000	.15	.16	.12	.13
1	.74	.20	Macassa	234,367	.68	.72	.60	.69
1	.23	.05	Malartic	85,900	.18	.23	.16½	.18
1	.07½	.01	Malrobic	235,700	.07	.07½	.06	.06½
No	.17	.02	Mandy	8,600	.14	.15	.11	.12
No	.07	.01	Manitoba Basin	144,900	.04½	.05½	.04	.04½
5	38.75	21.20	McIntyre	24,893	35.00	38.75	31.00	35.00
1	.50½	.30	McKinley	1,250	.50½	.50½	.50½	.50½
No	.08	.02½	McLeod River	79,400	.03½	.04	.03	.03½
1	.35	.03	McMillan	11,100	.29	.30	.26	.26
No	.97	.46	McWatters	52,050	.88	.97	.84	.92
1	.84	.15	McVittie	65,050	.63	.70	.58	.63
5	1.25	.06	Mentor Exp. & Dev.	200	1.10	1.25	1.05	1.05
No	2.65	1.20	Mining Corp.	30,035	2.30	2.50	1.75	2.20
1	.05	.01½	Moffatt Hall	73,600	.03½	.04	.03½	.03½
1	.12½	.02	Moneta	18,500	.10	.10	.09	.09
1	.00½	.00½	Montreal Rouyn	......	.00½	.....	.....	.....
1	.40	.05½	Moss	77,500	.08	.08	.05½	.06
1	.03½	.00½	Murphy	14,200	.02½	.02½	.02½	.02½
No	.06½	.02½	Newbee	39,700	.04	.04½	.04	.04½
1	.06½	.01½	Night-Hawk Penn.	12,000	.06	.06½	.04½	.05½
5	3.50	1.15	Nipissing	16,770	3.10	3.25	2.22	2.80
No	38.25	19.75	Noranda	82,000	34.20	38.25	30.00	33.50
No	.52	.32½	Nor. Canada	4,200	.45	.45	.36	.38
No	.37	.19½	Normont-Gold	9,400	.36	.37	.35	.37
1	.34	.05	Osisko	11,500	.20	.26	.20	.20½
1	.28½	.11	Parkhill	41,200	.24½	.24½	.23	.23
1	.03½	.01½	Pawnee Kirk.	2,300	.01½	.02	.02	.02
1	1.80	.50	Pend Oreille	27,565	1.40	1.60	1.25	1.30
1	.04½	.00½	Peterson Cobalt	19,100	.03½	.03½	.02	.02½
1	16.25	4.30	Pioneer Gold B.C.	36,860	14.00	16.00	10.50	13.00
1	.03	.00½	Porcupine Crown	7,000	.02½	.02½	.02	.02
1	.01½	.00½	Potter Doal	17,100	.01	.01½	.01	.01
1	1.60	.55	Premier Gold	32,500	1.45	1.46	1.25	1.30
1	.03½	.00½	Preston E. Dome	14,500	.02½	.02½	.02	.02
No	1.00	.68	Prospectors Air's	3,000	1.20	1.25	1.05	1.11
No	.15	.03	Quemont	5,600	.13	.15	.11	.15
1	2.75	.60	Reno	144,050	2.60	2.70	1.90	2.15
1	.38	.38	Read Anthier	100	.....	.38	.38	.38
1	.03½	.00½	Ribago	91,000	.02½	.02½	.02	.02½
1	.03	.01½	Ritchie	2,000	.02½	.02½	.02½	.02½
1	.04½	.01	Robb Montbray	23,000	.03½	.04½	.03	.03
1	1.25	.75	San Antonio	28,250	1.10	1.17	1.02	1.12
1	.06½	.02	Seven Troughs	500	.03	.06½	.06½	.06½
1	1.90	.33	Sherritt Gordon	277,312	1.58	1.90	1.30	1.62
1	1.78	1.25	Siscoe	329,845	1.60	1.78	1.50	1.60
1	.10½	.02½	South Keora	30,700	.06	.07½	.05	.06
No	.07½	.01½	Stadacona	1,612,200	.04½	.07½	.04½	.06
1	.60	.07	St. Anthony	38,900	.35	.45	.32	.35
No	2.21	.60	Sudbury Basin	37,660	1.85	2.10	1.50	1.70
1	.14½	.00½	Sudbury Contact	60,600	.10	.14½	.10½	.11½
1	.01½	.00½	Sudbury Mines	8,000	.01½	.01½	.01	.01½
No	.25	.16½	Sudbury Nickel	500	.18	.20	.20	.20
1	.38½	.20	Sullivan	41,675	.28	.31	.24	.25
1	1.44	.72	Sylvanite	190,825	1.30	1.31	1.00	1.12
1	.03½	.01½	Tashota	......	.01½	.....	.....	.....
1	7.25	3.70	Teck Hughes	169,625	6.80	7.25	6.00	6.55
1	.12	.03	Thom. Cadillac	13,000	.09	.10	.08	.08
1	.61	.10	Towagmac	8,800	.45	.50	.40	.40
1	3.00	1.00	Treadwell	2,400	2.30	2.50	1.85	2.00
1	.17	.04	United Kirkland	9,000	.12	.14	.10	.12
No	.06½	.01½	Vacuum Gas	65,500	.02½	.03½	.02½	.03
No	2.40	2.30	Venezuela	......	2.25	.....	.....	.....
No	1.50	.80	Ventures	180,570	1.20	1.25	1.00	1.15
1	.22	.03	Vickers	27,500	.03½	.04½	.03½	.04
1	.75	.20	Vipond	21,053	.55	.56	.48	.50
No	2.15	.35	Waite Ackerman	20,525	1.60	2.15	1.60	2.00
50c	.75	.33	Wayside	601,000	.63	.75	.50	.63
1	.08	.02½	White Lake	1,000	.07½	.08	.06	.06
1	.28	.02	Wiltsey Coughlan	39,800	.19½	.20	.15	.17½
1	.27	.07	Wood Kirkland	4,500	.20	.21	.15	.21
No	7.55	3.73	Wright-Hargreaves	255,910	6.90	7.55	6.40	7.25
			OIL STOCKS					
No	.21	.07½	Acme Gas & Oil	227,000	.16	.21	.13½	.16½
1	.04⅞	.04½	Admiral	......	.04⅞	.....	.....	.....
1	1.60	.55	Ajax	95,825	1.14	1.60	1.08	1.24
1	.68	.05	Alta. Pacific	213,200	.30	.68	.25	.33
1	.18½	.05	Amalgamated	24,300	.17	.16	.14	.15½
No	1.10	.04½	Associated	136,795	.21	1.10	.20	.40
No	.26	.01	Baltac	112,875	.12	.26	.07½	.12
No	2.50	.25	Calgary & Ed.	37,850	1.10	2.50	1.00	1.35
1	.45	.03	Calmont	68,275	.18	.45	.17½	.20
1	.25	.03½	Common. Pete.	17,000	.15	.25	.10	.15
No	2.50	.11	Dalhousie	107,064	.75	2.50	.65	.90
No	.19	.02	Devenish	10,825	.16	.19	.14	.15
No	.55	.05½	East Crest	64,100	.25	.55	.20	.28
No	.36	.25	Erie Gas	......	.27	.....	.....	.....
No	.02	.00½	Fabyan Pete.	146,800	.01	.02	.01½	.02
No	1.75	.06	Foothills	11,775	.50	1.75	.70	.75
No	.20	.04	Freehold	170,975	.07	.20	.07	.14
No	.06½	.01½	Hargal	......	.05	.....	.....	.....
No	4.05	.30	Home	265,025	1.52	4.05	1.50	2.50
1	.25	.10	Homestead O. & G.	31,200	.22	.24½	.16	.19½
No	.47	.10	Lowery	21,135	.29½	.47	.30	.30
No	.18½	.05½	Marjon Oil	12,700	.15	.16	.12	.15
1	1.85	.14	Mayland	10,710	1.75	1.85	1.25	1.35
No	.09	.03½	McD. Segur Ex.	49,250	.04	.09	.03½	.06
1	.75	.25	McLeod	8,545	.32	.75	.40	.60
No	.21	.07½	Mercury	167,095	.13	.21	.13	.20
No	.45	.11	Merland	50,900	.33	.45	.28	.40
.	.01½	.01	Mid West	......	.01½	.....	.....	.....
No	.30	.09	Mill City Pete.	3,600	.13½	.30	.20	.25
1	.45	.12	Model	9,235	.35	.41	.35	.40
5	.30	.09	Nordon	100,650	.23	.30	.20½	.22
No	.08	.02½	Oil Selections	29,000	.06	.07	.05	.05
No	.15	.04½	Okalta	46,675	.09	.15	.09	.13½
No	.61	.20	Olga Gas & Oil	22,250	.41	.47	.33	.40
5	.03½	.01	Penn. Pete.	......	.01½	.....	.....	.....
1	.25	.13	Petrol Oil & Gas	3,800	.20	.20½	.20	.20
No	.02	.02	Richfield	......	.02	.....	.....	.....
No	23.00	5.75	Royalite	7,701	21.00	23.00	16.00	17.00
1	.25	.05	Sarnia Oil	28,500	.22	.22	.16	.19
No	.45	.04	South West Pete.	6,300	.40	.45	.35	.35
1	.35	.06	Spooner	200	.06	.35	.25	.35
No	.75	.12	Sterling Pacific	49,700	.50	.75	.44	.45
.	.43½	.43	Trinidad Oil	......	.43½	.....	.....	.....
No	.16	.03	United	188,810	.08½	.16	.07½	.15
No	.21	.06	Vanalta	4,700	.14	.19	.15	.19
No	.08	.00½	Wainwell	145,500	.02	.08	.02	.04

VANCOUVER STOCK EXCHANGE
(Transaction for Week to July 18)

Par Val.	Range 1933 High	Range 1933 Low	Company	Sales	Close July 11 (or last)	High for week	Low for week	Close July 18
25c	.03	.00½	Bayview	6,000	.01	.02	.01½	.02
20c	.10½	.02½	Beaver Silver	320,450	.08	.10½	.08	.10
25c	.17	.04	Big Slide	20,600	.05	.05½	.04	.05
25c	.06½	.02	Bluebird	4,800	.04	.04½	.04	.04
No	9.60	1.38	Bralorne	24,085	8.15	9.60	8.00	9.40
1	.57	.05	Bridge River Cons.	52,800	.37	.40	.34	.34
50c	.71	.35	Bridge River Exp.	144,370	.61	.65	.59	.63½
100	89.00	88.50	B. C. Electric, pfd.	......	88.50	.....	.....	.....
1	1.50	.60	B. C. Silver	125	1.00	1.50	1.25	1.25
No	.82	.52	Burns Mountain	......	.55	.....	.....	.....
1	4.15	1.50	Cariboo Gold	43,725	2.90	3.40	2.85	3.20
No	12.90	5.60	Coast Breweries	1,666	10.50	12.00	10.75	11.25
25c	.02½	.00½	Cork Province	7,500	.01	.02	.01	.01½
1	.02½	.02½	Cotton Belt	......	.02½	.....	.....	.....
1	.08	.00½	Dalhousie Mines	23,000	.03½	.04½	.04	.04½
1	.13	.02	Dunwell	5,400	.08	.08	.08	.08
1	1.00	.28	George Copper	200	.60	.65	.65	.65
50c	.12	.04	Geo. Enterprise	......	.04	.....	.....	.....
1	.09½	.02	George River	34,100	.05	.06	.04½	.05½
1	.60	.16	Golconda	3,700	.40	.42	.37	.42
50c	1.25	.60	Gold Belt	30,775	.94	1.25	.90	1.20
1	1.50	.95	Golden Belle	8,350	1.10	1.50	1.05	1.50
50c	.11	.03½	Grandview	32,150	.06	.07	.06	.06½
1	.01½	.00½	Independence	......	.01	.....	.....	.....
1	.03½	.02	Indian Mines	13,500	.02½	.03	.02½	.02½
1	.17	.08½	Inter. Coal	......	.13	.....	.....	.....
1	.36	.36	Jack Waite	......	.36	.....	.....	.....
50c	.57	.32	Kootenay Belle	15,230	.36	.41	.35	.38
25c	.04	.00½	Kootenay King	......	.01	.....	.....	.....
25c	.01	.00½	L. & L.	5,500	.00½	.01	.00½	.00½
1	.01	.00½	Lakeview	5,000	.00½	.00½	.00½	.00½
10c	.06½	.01	Lucky Jim	77,350	.05	.06	.05½	.05½
50c	.01½	.00½	Marmot Metals	1,000	.00½	.00½	.00½	.00½
10c	1.05	.20	Meridian Min.	65,000	.58	.59	.52	.55
5c	.13	.05	Metaline Metals	2,000	.07	.09	.08½	.08½
.	.01	.00½	Mohawk	......	.00½	.....	.....	.....
50c	.41	.18	Morning Star	145,950	.28	.33	.28	.32
1	.06	.00½	Morton Woolsey	53,000	.04	.04	.03½	.03½
1	.29	.07½	Native Sons	41,300	.11	.12	.07½	.12
50c	.10½	.00½	National Silver	143,500	.07½	.08½	.07	.07½
50c	.89	.74	Nicola	9,450	.86	.89	.83	.89
50c	.21½	.02½	Noble Five	73,550	.15	.18	.14	.17
50c	.01	.00½	Oregon Copper	......	.01	.....	.....	.....
1	.35	.25	Pavilion	......	.25	.....	.....	.....
1	1.25	.40	Pioneer Extension	......	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	1,440	14.50	14.75	13.25	14.50
1	.11	.10	Planet	......	.10	.....	.....	.....
50c	.19	.04½	Porter Idaho	37,350	.15	.16½	.13	.14½
No	.04	.00½	Premier Border	138,675	.03	.03½	.02½	.02½
1	.10	.02	Quatsino Copper	4,330	.05	.05	.04½	.05
No	.42	.10	Reeves McDonald	2,130	.26	.27	.25	.25
1	.30	.25	Reliance	......	.27	.....	.....	.....
1	2.70	.60	Reno Gold	38,870	2.40	2.65	2.35	2.60
1	.22	.04	Reward Mining	64,250	.14½	.16½	.14	.15
1	.10	.01	Rufus Argenta	21,000	.05	.06	.05½	.05½
1	.07	.02½	Ruth Hope	6,100	.04½	.05	.04½	.05
1	.65	.41	Sally Mines	13,100	.50	.55	.50	.50
1	.15	.03½	Silverado	19,450	.09	.11	.07½	.08
25c	.09	.01	Silver Crest	121,200	.06	.07	.05	.05½
20c	.03½	.01½	Silversmith	......	.03½	.....	.....	.....
50c	.04½	.01	Snowflake	73,550	.02	.02½	.02	.02½
25c	.06	.06	Sonora	......	.06	.....	.....	.....
1	.61	.40	Standard Gold	......	.40	.....	.....	.....
1	.50	.25	Sunloch	......	.45	.....	.....	.....
5	.40	.20	Toric	......	.35	.....	.....	.....
50c	.03½	.02	Topley Richfield	5,000	.03	.03	.03	.03
50c	.70	.08	Wayside	229,030	.55	.70	.47½	.67
25c	.12	.01½	Waverly Tangier	318,200	.07	.08½	.07	.07
20c	.05	.01½	Wellington	24,800	.02½	.03½	.02½	.03½
1	.18	.03	Whitewater	59,400	.11½	.15	.11½	.13
1	.48	.40	Yankee Belle	......	.42	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	6.45	Merland Oils	5c.	.....
Coniagas‡	12½c.	.....	Noranda‡	50c.	.....
Coniaurum†	3c.	.....	Petrol Oil	°2c.	.....
Cons. Smelters*	10%	.....	Premier	12c.	9.23
Dome Mines	$1+55c.	4.77	Pioneer, B.C.	60c.	4.61
Falconbridge	10c.	.....	Royalite	°1.50	.....
Hollinger	65c.+10c.	7.53	Siscoe	12c.	7.50
Howe Sound	40c.	.....	Sterling Pacific Oil‡	3c.	.....
Lake Shore	$2+$1	6.63	Sylvanite	4+1c.	4.46
McIntyre	$1+75c.	5.00	Teck-Hughes	60c.	9.23
McLeod Oils‡	5c.	.....	Wright-Har.	20c.	2.75

*Stock. ‡Interim. †Initial. °Paid in 1932.

Small Crop May Reduce Farm Income Below 1933

Prospects that the Prairie farmer will receive less in the aggregate for the 1933-34 crop than was received for the 1932-33 crop, despite higher wheat prices, looms as recent yield estimates place the crop as low as 300,000,000 bushels.

Based on the returns to farmers in the first eleven months of the current crop year for the past year's crop, as compiled by the W. Sanford Evans Statistical Service, Winnipeg, it may be estimated that the returns this year will total not more than $118,000,000. This represents approximately 31 cents a bushel for wheat delivered.

Assuming a crop of 300,000,000 bushels at the coming harvest, only 230,000,000 bushels of which will be sold, and an average Winnipeg price of 75 cents, the total value of the crop delivered will be $172,500,000. However, the price to farmers will be this amount less freight which may be assumed to be 25 cents a bushel. The total return to farmers, on this basis would therefore be only $115,000,000.

No. 1 Northern will have to rise considerably above the 75 cents mark before even this amount is paid to farmers as all reports indicate that this year's crop will not be of such high grade as has been experienced during the past two or three years and therefore the returns will be lower.

MERSEY PAPER INCOME LOWER FOR PAST YEAR

Interest Charges Are Covered by Margin of Over $380,000

From Our Own Correspondent

MONTREAL. — Though earning power of Mersey Paper Co. was on a restricted basis in 1932 as compared with the preceding year, the company was able to maintain a satisfactory balance sheet position.

The report does not give any details on production. It is understood, however, that output last year compared favorably with 1932 but the lower values prevailing for newsprint kept down gross profits which amounted to only $799,962. This compared with $1,093,573 in 1932.

Charge to Depreciation

The income account shows that after providing for interest on bonds, loans, etc., the balance of $384,371 was applied to depreciation and depletion reserve. Particulars of the income account for 1932 and 1931 follow:

	1931	1932
Gross Profits	$1,093,573	$799,962
Less: Depreciation	250,000	384,371
Int. on Bonds, etc.	450,109	415,591
Res. for Cont.	60,000	......
Net Profit	$ 333,464	
Prev. Balance	172,702	506,166
Bal. Forward	506,166	*506,166

* Practically all of balance in Profit and Loss Account transferred to Depreciation and Contingency Reserve.

Working Capital Intact

A number of changes are noted in the consolidated balance sheet as at December 31, 1932. Assets are down on the books at $14,380,605 as against $14,282,657 a year ago. Working capital remains much the same. Inventories have been reduced from $807,622 to $727,990. Fixed assets remain much the same at $12,742,020.

A new item among assets in the 1932 report is $229,276 representing investments in company's bonds and in mortgages and shares at cost.

Among liabilities current bank loans are up from $726,000 to $871,669. Offsetting this in part is a decline in a special bank loan, secured by first mortgage bonds, from $3,000,000 to $2,930,000.

Reduce Mortgages Payable

Mortgages payable in respect to timber limits and the company's newsprint vessels have been reduced from $831,795 to $676,469.

Sinking fund on the company's bonded debt came into operation during 1932. The first mortgage bonds have been reduced from $5,000,000 to $4,925,000, while the general mortgage bonds have been lowered $33,500 to $1,966,500.

Transfer P. and L. Surplus

The profit and loss has been practically all transferred to the depreciation and contingency reserves which now total $1,380,171.

No dividends have been declared or paid on the company 6½ per cent preferred stock, such dividends being cumulative from July 1, 1930.

For information as to how a complete analysis of this company can be obtained see page 2.

Profits Return For Howe Sound In Last Quarter

A decided upward swing in the affairs of Howe Sound Co. is reflected in the quarterly report covering the company's operations for the three months ended June 30, 1933, when an operating profit of $117,315 was reported as compared with a loss of $151,158 in the quarter ended March 31, 1933.

Metal sales showed an improvement but including not only the production for the quarter but also some of the inventory shown on Dec. 31, 1932, which increase the company's profit by $84,083.

Dividends have been continued and paid quarterly at the annual rate of 40 cents per annum since July 15, 1932.

The following is a tabulation of earnings and production for the past two quarterly periods:

Earnings

	2nd quar. 1933 $	1st quar. 1933 $
Metals sold	1,236,307	786,925
Operating costs	1,118,992	938,083
Operating profit	117,315	*151,158
Miscell. income	90,068	86,782
Total income	207,383	*64,376
Depreciation	61,521	61,171
Net surplus	145,862	*125,547

*Deficit.

Production

	2nd quar. 1933	1st quar. 1933
Gold, oz.	2,598	2,149
Silver, oz.	871,682	625,394
Copper, lbs.	1,508,536	1,217,504
Lead, lbs.	25,224,581	17,903,825
Zinc, lbs.	7,351,218	10,473,537

CANADA NORTHERN EARNINGS HIGHER DURING HALF YEAR

Output and Number of Customers Reach High Point in June

From Our Own Correspondent

MONTREAL.—Canada Northern Power Corp. net operating income in June and for the six months ended June, 1932, are ahead of corresponding periods of 1932.

For June gross income totalled $299,509 or $20,529 higher than for the same month last year. Operating expenses increased by only $3,023, so that net revenue for the month at $206,138 was $17,506 higher than for June a year ago.

Cumulative returns for the first half of this year show a gross operating income of $1,787,276. This is a new high mark and compares with $1,714,197 for the same six months last year. Operating expenses increased from $531,612 to $540,705, leaving net earnings this year at $1,246,571. This compares with $1,182,585 for the first half of 1932.

Power Output Higher

Power output of Canada Northern Power Corp. for June totalled 38,518,590 kw.h., as against a comparative figure of 35,280,670 kw.h. in June, 1932.

For the six months period ended June, 1933, Canada Northern's power output totalled 231,252,320 kw.h., compared with 216,131,210 kw.h. for the corresponding period of the previous year.

During the past month 77 new customers were added to the company's system, bringing the total served as at June 30, 1933, to 12,805 compared with 11,849 on the same date a year ago.

For information as to how a complete analysis of this company can be obtained see page 2.

RAW GOODS COSTS AFFECT HARDWARE

Many Lines Show Higher Quotations in Past Week

The increased cost of raw materials, particularly metals, is making itself felt in trade prices of a wider number of lines. Advances are being put through by manufacturers in copper goods including nickel-plated kettles and teapots, and copper wash boilers. The price of lead pipe and lead waste has been advanced. Because of higher crude oil prices, gasoline, coal oil, benzine and furnace fuel oil prices are higher. A general advance is made in prices of galvanized wares, including pails, tubs, etc., in both light and heavy grades, amounting to 5 per cent, on account of the increase in spelter and other raw material costs. Galvanized range boilers are advanced by 5 per cent, states Hardware and Metal, Toronto. The price of linseed oil has fluctuated widely, showing an advance of six cents a gallon, and then declining by seven cents a gallon a few days after, as grain prices came down considerably. This market is reflecting the movement of flax seed quotations quite promptly. With the pound sterling valued at slightly over its former par in Canadian funds, wholesalers are continuing to quote firm prices on imported British lines, making advances in prices where the laid-down costs are higher. A new stove pipe price list is issued showing an adjustment in prices for fall trade.

General business in the hardware trade is being maintained at fairly good volume as harvest requirements are bought in rural areas. Greater industrial activity in some trades is creating a demand for factory hardware supplies. The iron and steel trade is showing increased activity, with higher production of steel reported in June than in May.

Public Utility Earnings

CANADIAN NATIONAL RAILWAYS

	June, 1933	1932
Gross Rev.	$13,526,022	$13,797,710
Oper. Exp.	12,540,126	13,061,796
Net Revenue	$ 985,896	$ 735,914
	Aggregate to June 30	
Gross Rev.	$67,474,871	$80,172,488
Oper. Exp.	70,453,852	79,552,119
Net Rev.	*$ 2,978,981	$ 620,369

* Deficit.

CANADA NORTHERN POWER

June	1933	1932
Gross earnings	$ 299,509	$ 278,980
Operating exp.	93,371	90,348
Net earnings	$ 206,138	$ 188,632
Six Months Ending June 30		
Gross earnings	$1,787,276	$1,714,197
Operating exp.	540,705	531,612
Net earnings	$1,246,571	$1,182,585

RELIEF PACT TERMS ARE ANNOUNCED

Dominion Will Contribute to Highway and Direct Relief

Relief pacts between the Dominion Government and the eastern provincial governments, announced this week, are featured by provision by the Dominion Government for contribution toward work on the trans-Canada highway, other highways and municipal works. The agreements remain in effect until March 31, 1934.

Where construction of any portion of the trans-Canada highway is undertaken, the Dominion will pay 60 cents per man day while 50 cents per man day will be paid for relief work on other highways and municipal works.

Direct relief payments are continued, the Dominion agreeing to pay one third of the total cost with the balance to be paid equally by the provinces and municipalities. In cases of direct relief in unorganized districts, the Dominion will pay 50 per cent of the cost.

The relief settlement agreement which was one of the clauses of the 1932 Relief Act still remains in force. It provides for a Dominion non-recoverable expenditure of one third of an amount not to exceed $600 per family for the purpose of placing families in receipt of relief on the land.

Gypsum, Lime Output Restricted This Year

From Our Own Correspondent

MONTREAL.—Gypsum production in Canada for the first four months of 1933 does not indicate any improvement in the position of Gypsum, Lime and Alabastine (Canada) in so far as that department is concerned. For the four months output totalled only 13,555 tons. This compares with 33,926 for the corresponding period of 1932 and with the high mark of 190,200 tons established in the first four months of 1929.

There were no exports of crude gypsum from Canada in April. Exports of plaster of Paris were recorded at 21 tons as against 23 tons in March.

WIDE CRITICISM BRITISH PROPOSAL BOND CONVERSION

Plan to Give Sterling Bonds for Dollar Issue Called Default

Considerable criticism has been voiced of the British treasury for offering to exchange its U. S. dollar, gold clause, 5½ per cent bonds, due 1937, into securities payable only in sterling. "Ingenious but immoral" was the description given by one British financial paper.

The Times of London and the Economist both mentioned the "sanctity of contracts" and the "clear intent of the bonds" in their criticism of the offer. The British Financial Times says the Government "has quite definitely dishonored its bond."

Some French authorities are reported to consider the offer advantageous to bondholders. Some American commentators think the arguments for the proposal are transparent, and blame the invalidation of the gold clause in the United States for bedevilling moral sense.

The offer of the British treasury was to convert each $1,000 gold-dollar 5½ per cent bond into a £260 bond bearing 2½ per cent. The maturity in both cases to be 1937. The explanation given by the British authorities was that the gold clause in the bonds could not be fulfilled because of the action of the United States Congress. This is no answer, say critics, who point out that American dollars could be paid to the holders.

Advantages to Holders

Those who consider the scheme advantageous to bondholders point out that the rate at which the conversion is offered is $3.85 to the pound. The holder at maturity would receive $1,212 with sterling at $4.70 in New York. He would be sacrificing $120 in interest in exchange for an extra $212 in principal. But this advantage depends on the future of sterling, which experts believe may be below $4.70 in the United States by the time 1937 arrives.

Another way of figuring an advantage to holders in the conversion is by comparison of present market prices. British 2½ per cent bonds were selling at about 92 in London at the time of the offer. At the prevailing exchange rate this indicated a market value of $1,162 for each proposed new bond in New York funds. At the same time the British 5½'s of 1937 were worth $1,128 in New York. Here appeared a definite and immediate profit of $34 on each $1,000 bond.

There are $136,333,500 of the 5½'s in question outstanding. At the conversion rate this would become £35,446,710. This is the only Great Britain and Ireland gold dollar issue outstanding. If converted, all British debt will then be payable in sterling only.

Paris Viewpoint

A peculiar dispatch from Paris calls the offer of exchange, default. At the same time it points out that the transfer is advantageous at present prices, since the correspondent expects the pound to go higher. This report expects the operation to be carried out successfully. It is also said that the peculiar circumstances surrounding the proposed exchange of bonds makes it ineligible for inclusion with ordinary defaults although it is a breach of contract. It is pointed out that there is ingenuity in the plan because it offers American holders of the bonds a bonus to make the exchange, and removes a risk to Britain in future dollar exchange fluctuations. It is expected in some quarters that the move will result in many of the bonds going back to England, and the market for the issue shifted to there also. It is said that such a short security would be popular in London at present because of the low interest rates prevailing for such securities. It is claimed that London's eagerness to acquire the bonds accounts for some of the recent decline of the pound sterling against the American dollar.

A point which seems to have been neglected by those who call the proposed conversion default is that it is being made on a voluntary basis at the option of holders. No coercion has been implied.

NATIONAL SYSTEM REGISTERS LOSS FIRST HALF OF '33

Returns Lately Indicate Improvement Over 1932 Figures

From Our Own Correspondent

MONTREAL.—Canadian National Railways had an operating deficit of $2,978,981 for the first half of 1933, compared with a net revenue of $620,369 for the same period of 1932, according to an official statement released by the company.

After the payment of operating expenses, the system had a net revenue in June amounting to $985,896, an increase of $249,981 for the same month a year ago.

Gross revenues amounted to $13,526,022, showing a decrease of $271,688 from the figure for June, 1932. Operating expenses, however, were reduced by $521,669, or from $13,061,796 to $12,540,126.

Gross of $12,697,000

For the first half of the current year gross revenues of the Canadian National amounted to $67,474,871, a decline of $12,697,617 from the corresponding 1932 figure. Operating expenses were reduced in that period from $79,552,119 to $70,453,852.

This was insufficient to offset the loss in gross revenue, so that expenses exceeded income by $2,978,981 for the six months period compared with a surplus of $620,369 for the first half of 1932.

July Shows Gain

Since the end of June gross operating revenues of the Canadian National have been on a more satisfactory basis. During the week ended July 21, 1933, gross income totalled $3,091,591 compared with $3,049,568 for the corresponding week of 1932, an increase of $42,023.

For information as to how a complete analysis of this company can be obtained see page 2.

Can. Public Service Earnings Are Higher

Canadian Public Service Corp., British Columbia holding company for various public utilities in the Okanagan Valley, would appear to have improved its earnings position in the fiscal year ended June 30, 1933, since gross revenue of $351,064 is reported for the 11 months ended May 31. This compares with $331,512 gross revenue in the 11 months ended June 30, 1932. Operating expenses, maintenance and taxes in the 11 months period have been reduced to $135,966 from $139,343 while non-operating income is up to $7,767 from $320, and non-operating expenses are down to $1,789 from $1,884.

The company which controls West Canadian Hydro Electric Ltd., Canadian Western Telephone Ltd., Summerland Telephone Co., Okanagan Telephone Co., Solar Telephones Ltd. and Inland Ice & Cold Storage Co., has $325,000 of funded debt consisting of $200,000 5½ per cent debenture notes in May 1, 1935, and $125,000 6 per cent debentures due March 1, 1953. The latter issue is entirely owned by Canadian Western Telephone Co., a subsidiary of Canadian Public Service Corp. The parent company has paid dividends regularly on the $1,104,100 of 6½ per cent cumulative preferred stock outstanding and covers preferred dividends by the good margin in the fiscal year just ended.

List Melchers Stock

From Our Own Correspondent

MONTREAL.—Montreal Curb Market announce the listing of 50,000 Class B shares of no par value of Melchers Distilleries Ltd.

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TAP SUDBURY LINE

Offer Includes Building Transmission Line and Substation Free of Cost

Quietly surveying the newer mining developments in Ontario the Hydro Electric Power Commission of Ontario now gives evidence of being prepared to team up with the younger mining prospects and near mines and extend exceedingly favorable contracts for electric power that would materially aid development.

For some time past the Hydro has been watching the mining developments in the Swayze area and studying its power possibilities. Now comes word that a definite overture has been made to the Kenty Gold Mines, the most developed property in the area, to supply it with a minimum of 500 horsepower, from the Abitibi Canyon development, at an initial rate of $30 per horsepower per annum. In addition the Hydro will build a transmission line to the site of mining operations. It has also been intimated that when and if 2,000 horsepower is required the rate would drop to approximately $20 per horsepower per annum.

To Tap Sudbury Line

In the long run from the Abitibi Canyon power development to Sudbury, with a transmission line some 250 miles in length, it is without customers. At the end of the line the International Nickel Co. is under contract to take some 16,000 horsepower.

To reach the Swayze area it would mean tapping this main transmission line some 70 miles north of Sudbury. It is proposed to follow the sedimentary belt through to the Kenty property some 70 miles westward. As the crow flies the distance from Kenty to the power line is about 55 miles. The engineers from the Hydro are known to have been recently at the Kenty property studying the power situation and while no contract has been up for consideration the Hydro has made overtures not only to aid the Kenty development but also any property in the area requiring power. A sub-station would be built at the Swayze terminus at Hydro expense to transform the power down to commercial distributing voltage, which would mean power users need only install the usual transforming equipment at the property.

The following of the sedimentary belt, rather than the air line route, is suggested in the hope that these host rocks, which house the successful gold mines of Ontario, may result in other finds and developments.

No Big Load Imminent

This offer of power, considering the immediate outlook for the Swayze area, cannot be regarded as other than a generous gesture on the part of the Hydro to co-operate with the gold mining prospects, as the total power consumption could not possibly be regarded at present as an important outlet for the huge Abitibi development.

It will be recalled that about a year ago when the Ashley Gold Mines was negotiating for power, the Hydro displayed an indifferent attitude on taking a gamble that a successful mine might develop. As a result the Canada Northern Power Corp. signed up Ashley under its standard contract.

The only other mine served by Hydro power in Ontario is the Howey Mines, in the Patricia district, from the Ear Falls development. Here the cost to Howey is $25 at the power station, some 45 miles away. Howey constructed this transmission line at its own expense and absorbs the transmission and transformer losses, which would bring the rate comparable with the pro-offered rate for Kenty except that in Howey's case it had to pay on a 2,000 horsepower minimum load basis, while the offer to Kenty calls for 500 horsepower minimum.

CYCLOPS GAS SYND. PAYING DIVIDENDS

Young Syndicate Has Tidy Income From Small Investment

Formed less than a year ago the Cyclops Gas Synd. has just brought in its ninth gas well in southwestern Ontario, and has paid, since March 1, 1933, two quarterly dividends of three cents per share and a bonus of two cents per share. Current rate is at 12 per cent per annum.

Drilling on the company's leases in the townships of Oneida, Rainham and Walpole started last November, under the direction of an experienced driller. The wells while regarded as small each average about 40,000 cu. ft. daily under open flow. All the wells, except the last one drilled are connected to the pipe line of the Dominion Gas Co. and the syndicate receives from 25 to 30 cents per thousand cu. ft. at the well. Income has been averaging about $1,800 per quarter, while dividend disbursements take approximately $1,500. The low capitalization of the syndicate, with its 50,000 shares of $1 par value, has enabled the operations to show a tidy profit and the company plans drilling additional wells. Wells brought in in this area over 15 years ago are said to be still giving commercial production.

New Rand Taxation Dubbed Big Mistake

Sir George Albu Makes Timely Statement on the Danger of Throttling Expansion in Gold Mining By Confiscatory Measures

Branding recent taxation imposed on profits of the Rand Mines as the biggest mistake in the annals of gold mining in South Africa, Sir George Albu, at a recent London meeting of shareholders of General Mining and Finance Corp., stated that they were very pleased at the speeches made by responsible Ministers prior to the general election forecasting reasonable taxation. The substantial rise which had taken place in gold shares during recent months had not been engineered by the mining houses, but was due entirely to the assurances above referred to, which led not only ordinary speculators, but finance and trust companies in London and elsewhere, to invest in gold mines. Bearing in mind the statements of these responsible ministers every mining group had prepared schemes of expansion not only on the Rand, but on its extensions. Furthermore, every mining company had, during the last few months, lowered the grade of its ore, thus tending to prolong the life of the industry; but the new taxation penalized companies for doing so, and it was now necessary to revert to the old, if not to a higher, grade, thus shortening their lives. It was impossible for the mines now to relieve the position of unemployed.

Prospecting Incentive Lost

The incentive to prospect new areas had been destroyed and the confidence of European investors undermined, and it was therefore difficult to obtain the enormous capital necessary for those schemes projected only a few weeks ago. Sir George added that in the long run the government's revenue would be actually lower in consequence of its prohibitive taxation proposals.

Regarding the immediate future, 50 per cent of the gross profits of the industry would be taken by the government. He pointed out that since the commencement of the Union, direct taxation had risen from 10 per cent to now about 50 per cent. The new taxation proposals represented the biggest mistake that had ever been committed by any government in that country from the point of view not only of shareholders, but of its effect on the state as a whole. The government's proposals were bound to discourage the expansion of the industry. For the sake of balancing in one year the accumulated deficits of several years the government had placed a stranglehold on the future prospects of gold-mining. The government would have to accept the unenviable responsibility for its unfortunate policy when the ill-effect of the new taxation on the whole country came to be felt.

Really Confiscation

Not long ago Mr. Havenga, the South African Minister of Finance, attempted to defend the government's policy of taxation by saying that the profits made by the gold producers were the result of international exchange, but did not make clear that the gold was being sold in the free markets of the world the same as wheat or any other commodity. He gave the assurance, however, that the excess profits tax would be limited to £6,000,000.

The confiscatory nature of the measures imposed on Rand mines is better understood in Canada where such tactics are unthinkable. Aside from those mines owned direct by the South African government and therefore in effect free from taxation, all the Rand mines are owned by Britishers and the present government has no hesitation in invoking taxation on those it considers foreigners.

The conclusion to be drawn from the published figures and from the weakness of the market is that the South African government is taking too much of the so-called adventitious profit to encourage investors to risk their money in speculative mining enterprise. The government will no doubt be guided by experience, and if it finds later that, instead of encouraging, their policy is discouraging the development of the country's chief industry, modifications will presumably be made.

VIPOND CON. MINES WILL SHOW PROFIT FOR FISCAL YEAR

Exchange Compensation and Investment Earnings Aid Ore Position

The outlook for a small operating profit by Vipond Consolidated Mines, for the fiscal year ending July 31, 1933 is regarded as promising, The Financial Post is officially informed.

Production for the twelve months ended June 30, 1933, which approximates the fiscal year's production, was $482,783, based on gold at $20.60 per ounce. Tonnage treated in the same period was 112,746 or an average recovery of $4.28 per ton and an average milling rate of 310 tons daily. This compares with the recovery of $478,022 in the previous fiscal year, when an operating loss of $55,238 was incurred. Exchange compensation and income on the company's investments, accounts for the improved showing made this year.

Ore Outlook Not Bright

The outlook for ore does not brighten and indications are that unless some measure of success is met, early depletion is imminent. Slight success was met in the exploration in the Porcupine Crown area and but little hope is held for the future in this area. Vipond is demonstrating that a good mine dies hard, as in 1927 it looked as though operations would have to suspend when new work on the No. 9 vein gave the company a new lease of life.

The liquid assets of the company are between 40 and 45 cents per share.

The following tabulation gives production fo rthe past two quarterly periods:

Production

	2nd quar. 1933	1st quar. 1933
Recovery*	$129,300	$124,426
Tons milled	27,246	28,685
Recovery per ton	$4.75	$4.34
Tons daily	300	318

*Gold $20.67 oz.

Market Manoeuvres

MARKET BREAK

With the stock market sailing along at a dizzy pace the past few weeks and with but little evidence of any influence which would cause a sudden break, the sudden halt that was called last Friday caught the speculators napping when reaction set in. This break, to a great extent wiped out the price advances made recently and with it the paper profits and drawing under the marginal traders who had become entangled.

The gold stocks which had shown such remarkable resistance to low prices throughout the depression and which had staged a spectacular rise in recent weeks suffered with the general trend but recuperated in splendid style. Dome Mines after reaching a high of $39.50 per share dropped to $28 on Friday to recover to $33 on Monday. Eldorado Gold Mines, after touching a high of $8.05 per share a week ago dropped to $4.15 but recovered early this week to $5.75 and at least gave the "shorts," if there were any, a chance they had been waiting for.

Commenting on the market activity in recent weeks one informed observer stated that "sucker lists" of those which were in the crash of 1929 were the most valuable. The new crop of speculators was not nearly so important as the old. In explanation, he said it was the old story of the loser trying to get back and make up his previous losses, while the market sailed on to new dizzy levels.

HOME OIL COMPANY

From a low of 30 cents a share this year to a high of $4.05 last week, is the advance made by Home Oil shares on the strength of the rumor that the company's property is to be taken over by the Imperial Oil. That there is some ground for such a supposition is evidenced by Home Oil's last financial sheet showing liabilities to Imperial of $125,504, without any visible means of being liquidated at an early date.

Home's production has failed hopelessly to sustain dividends initiated in June, 1929, which caused shares to shoot to $29 each. Contrary to this they sold at a low of 15 cents in April, 1932. The gradual decline in the flow and the curtailment programme instituted by the Turner Valley Gas Conservation Commission worked against profitable production operations and makes for slow liquidation of the debt owing to Imperial Oil.

Delta Mines Stock Selling Is Blocked

Delta Mines Synd., which had its promotional activities aired in last week's Financial Post, has lost its license to sell stock, according to advice from the administrators of the Ontario Securities Act. Also it was learned that the Delta Mines Ltd., formed to take over the syndicate, has been debarred from waging a promotional programme and in effect further stock selling is at a standstill.

The obligations of the subscribers of the stock who are paying on a deferred or monthly basis, apparently require a civil action to determine their legality.

Canadian Mineral Production

Compiled by The Dominion Bureau of Statistics

		March 1933	April 1933	Four Months Ending April 1932	Four Months Ending April 1933
Asbestos	tons	5,455	8,168	36,967	25,056
Cement	brls	95,205	172,498	1,217,890	377,760
Clay products	$	97,462	124,445	1,303,752	408,101
Coal	tons	822,043	641,398	4,208,747	3,546,670
Copper	lb.	21,708,287	19,776,008	87,844,078	81,600,744
Feldspar	tons	159	359	3,320	1,130
Gold	fine oz.	260,154	237,017	961,751	958,851
Gypsum	tons	4,160	4,241	33,926	13,555
Lead	lb.	19,223,069	23,614,659	84,578,822	82,246,353
Lime	tons	15,482	21,752	103,169	73,208
Natural gas	M cu. ft.	2,497,762	2,222,556	11,627,437	10,492,765
Nickel	lb.	3,279,230	2,135,850	14,529,172	9,186,081
Petroleum	brls.	87,218	84,974	380,822	328,057
Salt	tons	12,670	13,654	48,474	45,431
Silver	fine oz.	1,285,888	1,350,974	6,478,573	5,327,792
Zinc	lb.	13,806,497	13,415,286	59,151,239	53,763,783

SISCOE GOLD MINE PROFIT IS $337,787 FIRST SIX MONTHS

Mill Now Treating 300 Tons Daily — Operating Costs Decline

ORE OUTLOOK GOOD

Lower Levels Interesting But Grade of Ore Lower — Cash Position Improves

A statement by Siscoe Gold Mines covering the six months period ended June 30, 1933, shows a net profit of $337,787, equivalent to 7 1/3 cents per share on the 4,580,065 shares outstanding, as compared with 12 cents per share in the previous 12 months period.

The value of the production, including exchange compensation was $667,486 to which is added miscellaneous income and interest on investments of $25,235, making the total income $692,721. Total costs were $314,417, including mine operations of $248,812, general expenses of $32,209 and depreciation of $33,394. A reserve for taxes totalled $40,518.

The mill treated 39,713 tons of ore or an average of 219 tons daily as compared with a daily average of 181 tons in the previous fiscal year. In April the increased mill facilities were brought into operation and the mill averaged 300 tons daily during June. Indications are that production will be maintained at the increased rate throughout the balance of the year.

The normal value of the gold recovered during the period was $11.22 per ton, as compared with $15 per ton in the year ended December 31, 1932.

Costs Decline

Production costs showed a decided downward trend with total costs including depreciation, amounting to $7.92 per ton as compared with $8.97 in 1932. Following the increasing of the mill capacity costs showed a further downward trend.

The company's cash position showed a further improvement despite the capital expenditures made and the $275,719 dividends disbursed. Current assets as at June 30, 1933 were $493,724, while current liabilities were $52,288. This compared with current assets of $7,475,702 and current liabilities of $90,173 as at Dec. 31, 1932.

In reporting on mine developments J. M. Forbes, general manager of the company, looked for an improvement in the company's position in the current six months period. Excerpts from his report on developments are as follows:

"Development during the period under review particularly on the three lower levels of the western ore zone was supplemented by further development of the Siscoe vein. Diamond drilling located what appears to be new ore on the south contact and a new fracture zone about 350 ft. north of any previously known ore. On the 725,850 and 975 ft. or lower levels of the western ore zone the distances already drifted are 400, 500 and 300 ft. respectively.

"The Siscoe vein on the whole is proving somewhat erratic but will make considerable tonnage of about $8 grade. During the past six months two further exploratory diamond drill holes, one from the 600-ft. level and one from the 725-ft. level showed interesting intersections. Crosscuts and drifting has now proceeded for 50 ft. on the 600-ft. level and 140 ft. on the 725-ft. level. Car sampling to date shows about a $8 grade over drift width (5½ ft.). There is a strong probability that over the distance explored the ore is wider than six feet. The ore itself is somewhat different to other ore found up to the present and consists of a series of recurrent lenses in a very strong shear zone paralleling the contact. It is known that the shear zone itself extends at least 900 ft. to the west of us. How much of this zone contains commercial ore is problematical but it warrants further intensive exploration.

In Promising Ground

"The northerly occurrence indicated by diamond drilling has just been reached from a crosscut from the 600-ft. level. It is promising ground, well fractured and carrying small quartz stringers with low values. It indicates that we have a strong fracture system considerably north of our present ore occurrences.

"Taking our development work as a whole for the past six months the results have been quite satisfactory. In general I am pleased to see that recent developments indicate that we may reasonably expect in the future to develop larger tonnages than before anticipated and am inclined to think that the average grade will be somewhat lower than that developed to date."

Greene Stabell Programme Set For Speedy Gait

Funds have been assured the Greene-Stabell Mines to complete its programme and speedily to bring the property into production late this year, on 100-ton daily basis, The Financial Post is reliably informed.

The work done on the property has been slowed up through the construction of a light railway, now completed, some two miles in length, to connect the mine with the water transportation route to Amos on the Canadian National Railway. The installation of the Diesel engine driven plant has been awaiting the completion of the railway, as has other equipment and it is now expected that construction work will be pressed. The de-watering of the property to the lowest or 600-ft. level, has been completed after considerable delay and re-sampling by H. A. Kee confirms $500,000 in commercial ore to the 450-ft. level.

Among the new construction plans is the addition of a cyanide plant to supplement the flotation process incorporated in the mill design. Operations at the property are in charge of Ben Budgeon. John E. Hammell is president.

New Company Succeeds Crow's Nest Placer Oil

The Crow's Nest Oil Co. is taking over the Crow's Nest Placer Oil Company on the basis of one new share for each ten shares in the old company, according to a published notice. Columbia Oils are drilling the holdings on a sub-lease basis and 25 per cent of any production will accrue to Crow's Nest Oil. Drilling and promotional interest have been centred in this pioneer oil exploration effort in British Columbia for many years.

Kenty Gold's New Vein Regarded Important

Crosscutting North Encounters Five-foot Vein Carrying Free Gold — Low Costs and Speedy Development Characterizes Programme

The speedy economic development of the Kenty Gold Mines properties—the pioneer find in the Swayze area of Ontario, made less than two years ago, is shaping up one of the most promising prospects in the province. The No. 1 shaft has been completed to its immediate objective of 500 feet and crosscutting is under way, while at the No. 2 shaft, 1,800 feet east, sinking has reached a depth of about 400 feet and the present objective or the 500-ft. horizon, is expected to be reached this month. With the completion of approximately 2,000 feet of lateral work, or a programme of about three or four months duration, it is expected that information will be available on which officials can plan the next stage of progress.

A new development that may be of far reaching importance is the encountering of a new vein, not exposed on the surface, some five feet in width, showing free gold, while cutting northward on the 500-ft. level from the No. 1 shaft. The crosscut had been driven about 20 feet when the vein was encountered at the contact of the conglomerate and the greenstones and is interpreted by geologists as being of far-reaching importance. This crosscut is to be continued northward some 300 feet from the bottom of the shaft to intersect the No. 19 vein disclosed on the surface.

Crosscutting south from the bottom of the No. 1 shaft is also under way and it is expected that the No. 1 vein will be intersected any time now at a distance of some 80 feet from the shaft. Drifting will be started as soon as the hoist is converted over from buckets to cages.

In sinking the No. 1 shaft work started in the conglomerate and passed into the greenstones. After passing back into conglomerate the No. 1 vein was cut showing a 10-ft. width at a depth of 361 feet.

Record Shaft Costs

What is believed to be a record has been hung up in the sinking of these two 500-ft. shafts. Operating costs have been under $20 per foot. Considering that all work has been done with the aid of one 120-h.p. and one 60-h.p. Diesel engine-driven compressor, the progress that has been made and the costs established are seen as remarkable. Already plans are being considered for an additional Diesel engine-driven electric unit to act as a stand-by and provide additional power as required and possibly to supplement and cut peak loads in event of the installation of hydro-electric power.

Kenty's treasury is in good shape with over $100,000 in cash and further funds assured as Kirkland Lake Gold Mining Co. exercises its option on treasury shares. Prices of the shares in over-the-counter trading have been steadily advancing and are now near $1.50.

Development work is under the direction of E. T. Corkill, consulting engineer, also a director of Brett Trethewey Mines and its interlocking interests — Northern Canada Mining Corp., Kirkland Lake Gold Mining Co. and Northland Prospectors.

Official Party Visit Labrador Gold Find Site

In order to make an authoritative statement on the possibilities of gold occurrences in Southwestern Labrador, Hon. W. J. Walsh, Minister of Agriculture and Mines, of St. John's, Newfoundland, accompanied by Dr. H. A. Snelgrove, professor of geology, Princeton University and F. W. Foote, consulting engineer of New York, plan to leave for the new area on July 27, according to the Newfoundland Daily News.

The party will proceed by the Seven Islands, Quebec, from which point they will fly about 200 miles due north to the site of the find made by Captain D. S. Bondurant, which is attracting attention to the area.

The party intends to make an examination and sample the Bondurant property which consists of a 40 square mile concession at Lake Wabush, Katsao.

At the Bondurant property, exploration work under the engineering and geological guidance of Drs. James and Gill, is under way. On the adjoining property held by the Labrador Gold Mining Company, Edward Goranson is directing the examination.

Col. Drew Impressed With Great Bear Lake

Completing an 8,500 mile hop by aeroplane to Great Bear Lake and return, Col. Geo. A. Drew, Commissioner Ontario Securities Act, told The Financial Post that it was purely a holiday trip, without any official ties.

He was greatly impressed with the mineral possibilities of the country and the opportunities it offered for prospecting, but emphasized the size of lake and the area as being so extensive that any reference to properties situated there was the vaguest sort of guidance for investors.

The mining community adjacent to Cameron Bay presented a hive of industry and he envisioned great developments for the district when transportation facilities improved.

At the Mines

Big Missouri Mining Co.—The reorganization of the company was approved by shareholders on July 21, which calls for the formation of a Canadian company to be known as the Big Missouri Mines Corp. The shares in the present company are exchangeable for shares in the new on the basis of one new share for each two old shares held.

* * *

Buffalo Anchorite Gold Mines—June gold production was valued at $55,230, an average recovery of $6 per ton as compared with a recovery of $51,371 in May, or an average of $5.40 per ton. These figures include exchange compensation. A station has been cut on the 600-ft. level in the north zone of the property preparatory to sinking a winze to the 850-ft. level. A raise just completed on the No. 5 vein to the surface proves an ore shoot 200 ft. long with an average width of 18 in. providing 25,765 tons of broken ore of $7 grade. The financial position of the company is reported improved and the payment on outstanding mortgages completed.

* * *

Cariboo Gold Quartz Company—Has struck ore in the Saunders vein with assays running much higher than in previous strikes, according to unofficial reports. The strike is said to be more than eight feet wide.

The mill run ore from a series of "B" veins cut by the tunnel, has averaged about $8 a ton.

* * *

Coniagas Mines—Claims P. D. 6 and J. D. 7 at Cobalt, Ont., known respectively as the Coniagas and Trethewey mines have been sold to Messrs. Arthur Brocklebank and T. H. Wainwright. The new owners intend to dewater the workings immediately, and undertake underground exploration. From the commencement of operations at Cobalt in 1905 until 1924 the company produced over 32,500,000 ounces of silver from its property and paid $11,440,000 in dividends. No work has been done by the company in the past nine years and properties have been leased that the remaining ore might be gleaned. These claims are regarded as two of the most fertile producers of silver in the famous Cobalt camp.

* * *

Dalhousie Oil — The London and Western Trust Company, Toronto, has been appointed transfer agent for the company, heretofore transfer office has been at the company's head office, Calgary.

* * *

Gachin Gold Synd.—Units are to advance from $10 to $12.50 on August 1, states J. J. Carrick, Limited, Syndicate Manager. The advance in the company's shares is said to be due to appreciation of the company's investments in dividend paying gold mines. Consideration is being given to an initial dividend by the end of the year, the official notice intimates.

* * *

Galatea Gold Mines—An official report states drilling done by Ventures gave inconclusive results with values ranging from 20 cents to $5 per ton in gold over a width of 40 to 50 feet. Drilling was confined to the westerly 1,100 ft. of mineralized zone. An extensive area still remains to be explored. The financial position of the company is said to permit proceeding with further work and consideration is being given to proceeding under its own direction or undertaking new financial arrangements.

* * *

Gods Lake Gold Mines—Extending the indicated ore zone a further 250 ft. or a total of 3,250 ft. tested by diamond drilling, the two last holes on the Akers claims, Nos. 24 and 25 showed $18.20 (width not mentioned) and $38.20 over 3 ft. 4 in. respectively. In addition wall rock carried values for several feet according to latest reports.

* * *

International Mining Corp.—Shares and share warrants were called for trading on the Standard Stock and Mining Exchange, Toronto, July 26.

* * *

Merland Oil Co. of Canada—A second interim dividend amounting to five cents per share has been declared payable September 15, 1933, to shareholders of record August 15, calling for a disbursement of about $48,500. An initial dividend of 2½ cents per share was paid November 15 last.

* * *

McWatters Gold Mines—Cross cutting on the 150 ft. level is reported to have intersected a new vein, 8 ft. wide, showing free gold. The shaft has been completed to its immediate objective of 420 ft. with levels established at 150, 275 and 400 ft. horizon. Cross cutting is now under way on all three levels to intersect the shear zone both to the north and south of the shaft and it is expected that in another three months some useful information will be available to govern the next step in the development of the property.

* * *

Malartic — The property has been dewatered to the 250-ft. level and mining operations will be resumed on the 125 and 250-ft. levels. Pumping operations are being continued and work will be undertaken on the 375-ft. level when dewatering has been completed. Representatives of the Ventures-Sudbury Basin group have been elected to the board of directors.

* * *

Native Son Mines—Operations at the company's property on the Cadwallader Creek, Lillooet Mining area, B. C., have been under way since May 15. A crosscut tunnel is being driven to intersect the Centre vein at 300 ft. depth. A compressor and complete mining equipment, including a camp for 30 men, have been provided.

* * *

Royalite Oil Co.—Supplementary letters patent have been granted increasing the authorized capitalization from 500,000 no par value shares to 1,000,000 like shares, to accommodate the taking over of the Mayland Oil Co.

* * *

Yukon Consolidated Gold Corp.—Judgment was reserved by Mr. Justice David to permit his perusal of some 245 documents filed as evidence in the non-jury trial held in Toronto early in July, charging A. N. C. Treadgold, former general manager with mis-management and mis-application of the company's funds.

INTER. PAPER CO. NEWFOUNDLAND COVERS CHARGES

Balance Sheet Shows Finances in Stronger Position at Year End

From Our Own Correspondent

MONTREAL.—International Power and Paper Co. of Newfoundland reports that in 1932 deliveries of newsprint dropped to 144,334 tons from 167,736 tons in 1931 and the percentage decline in revenue was still larger with gross sales last year only $7,074,429 compared with $9,493,192 in thhe previous year.

Some curtailment of operations was necessary last year because of the reduced demand for newsprint. During 1932 mill operations were at approximately 83 per cent of the 1931 rate, with production totalling 144,987 tons as against 175,269 tons in 1931. Output of the Deer Lake hydro electric station, amounting to 676,924,000 kw. h., was sufficient, after deliveries under the Buchans Mine contract, to enable the mill to cover its entire requirements both for power and for steam without the use of any coal or other fuel.

Further Cut This Year

Since the beginning of the current year earnings of the company have been further affected by the inability of International Paper Co. to continue allocation of tonnage to the Corner Brook mill on the same basis as in the past.

The company's consolidated income account for 1932 shows that after all charges there was a balance of $349,912. This compared with $634,630 in the previous year.

Details of the income account for 1932 and 1931 follow:

	1932 $	1931 $
Gross Sales	7,074,428	9,493,191
Less: Cost of Sales & Exps. after dedctg. misc. inc.	5,137,888	6,639,673
	1,936,540	2,853,518
Add: Net Profit on Exchange	545,003	69,734
Net Revenue	2,481,543	2,923,252
Less:		
Interest on First Mortgage Bonds	243,300	243,300
Debenture & Other Interest	1,254,740	1,415,331
Deprec. & Depltn.	629,942	626,342
Bond Discount	3,649	3,649
	2,131,631	2,288,622
Bal. added to Surp.	349,913	634,630
Surp. Beginning	3,152,416	2,517,786
Surplus End	3,502,329	3,152,416

Reduce Debt Charges

Examination of the balance sheet of International Power and Paper Co. of Newfoundland at December 31, 1932, shows several interesting changes compared with that reported on the same day of the previous year.

Of total assets amounting to $48,419,975, funded debt is shown at $24,097,257 compared with $24,233,755 a year ago. This is largely due to a reduction in purchase money mortgages on timberlands and a moderate decline in "B" mortgage debentures outstanding.

Bank loans have been reduced from $3,800,000 to $2,970,000, while the amount due to International Paper Co. and affiliated companies has been reduced from $1,769,115 to $1,128,619.

No marked change has taken place in reserves or capital and surplus account.

Assets Slightly Lower

Fixed assets are slightly lower due to the writing down of woods improvement and equipment by nearly $750,000.

A new item among current assets is notes receivable for $249,036. This item is not enlarged upon. Inventories and advances on woods operations have dropped from $6,096,377 to $4,949,343.

Deferred assets and expenses do not show any material change.

T. G. BRIGHT & CO., LARGE WINE FIRM, SELLS TO HATCH

Private Company's Shares May be Widely Distributed Later

The wine business of T. G. Bright & Co. may become of interest to Canadian investors in the near future, as it has been announced that the company has been bought by H. C. Hatch and associates. The only wine company to have its stock listed so far is Canadian Wineries and it is believed that there has been some advertising advantage to that company from the fact.

Proposal is that the new capital of T. G. Bright & Co. will consist of 100,000 no par value common shares and 30,000 preferred shares of $10 par value. No public offering is being made but application for listing the shares on the Toronto Stock Exchange will be made as soon as they have sufficient distribution, it is understood.

The Bright Company, established in 1874, is stated to control about half of Caanda's wholesale wine business in native wines and has about two-thirds of total stocks in bond in its warehouses.

Twin River Well No. 2 Has Strong Gas Flow

An official report on the Rooney-Nordon "Twin River" No. 2 well, near Lethbridge, Alberta, states that a flow of gas, estimated between 5,000,000 and 14,000,000 cu. ft. daily, was encountered at a depth of 3,940 feet, or 41 feet in the Madison limestone. Tests have not been made but when a well was held in, then opened up, oil sprayed over the top of the derrick.

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